

To the UTC Commissioners:

My name is Cindy (Sandra E.) Kisska. I live in Birch Bay. I participated in the UTC Phone Conference on Sept 28 @ 6 PM about PSE wanting to raise our rates AGAIN. I was able to speak some of what I have written below, but was only given 2 minutes. But because I was given so little time to speak, yet had so much I had planned to say, I am sending in this more COMPLETE comment.

Also, there were so many people who had called in to speak, so I was able to listen to what everyone had to say. IT WAS SHOCKING, to say the least, to hear ALL the terrible things PSE has done and gotten away with. For example, they build without permits first. Then they are fined. They pay the fine...and that's it! They build, pay their fine, and carry on. No one holds them to account, other than a fine which is NOTHING for them....THEY ARE SO WEALTHY! They build refineries on unstable ground, and which contributes to destroying our environment. AGAIN, NO ONE holds them accountable. **The UTC orders PSE to profit-share with us, their customers – but THIS has never happened. It seems PSE breaks the law, left and right, and repeatedly gets away with it!**

Referring to the Attorney General, Bob Ferguson, "Bob is committed to protecting the people of Washington, against powerful interests that don't play by the rules." **Well....that certainly applies to PSE!!!!**

I HAVE TO ASK, WHERE IS THE ATTORNEY GENERAL, BOB FERGUSON IN ALL OF THIS? It amazes me that HE HASEN'T ALREADY "GOTTEN AHOLD OF THE REINS" so to speak, and STOPPED PSE IN THEIR TRACKS and MAKE THEM TOW THE LINE. **SEVERAL TIMES the UTC has ordered PSE to PROFIT-SHARE WITH ITS CUSTOMERS:** in 2013, the UTC ordered PSE to share its profits 50/50 with customers. I know of at least 2 more times, that the UTC ordered PSE to profit-share with us. **BUT somehow, PSE has found ways to get around this. THEY HAVE NEVER SHARED THEIR PROFITS WITH US TO LOWER OUR RATES.**

HOW IS IT THAT PSE SEEMS TO HAVE BECOME MORE POWERFUL THAN THE UTC ITSELF? PSE blatantly ignores, and gets away with it, over and over again (!) UTC's DIRECT ORDERS TO SHARE THEIR PROFITS WITH THEIR CUSTOMERS.

The Public Council Unit of the UTC became involved (July 28 of this year) in two court cases against PSE. The testimony in court revealed that PSE HAS LIED AND BEEN DISHONEST many times manipulating and misrepresenting their FINANCIAL FACTS TO TRY AND GET MORE MONEY. This is SHOCKING! I've heard bad things about PSE, but I didn't know they were SO DISHONEST about their finances. They obviously do not have integrity....across the board.....in all their dealings....financial and otherwise. After hearing everyone speak last night, I learned so much more about PSE and ALL the shady things they have done. They've committed so many, many very grievous, and egregious despicable acts in so-o many different areas of how they operate under the guise of being a utility company. Over the years, they have re-structured their company, to the point where all the structures and safety nets, that used to be in place to protect PSE customers, are being burnt to the ground.

It seems PSE has built itself a "House of Cards" built on foundation of sand....An ever increasing mountain of loop-hole after loop-hole to want to protect anything and EVERYTHING IT WANTS TO DO....AND NO ONE HAS THE COURAGE TO STAND UP TO THEM. **IF PSE HAS RE-STRUCTURED ITSELF, WITH SO MANY FINANCIAL LOOP-HOLES, THAT PROFITS TO SHAREHOLDERS COME FIRST, INSTEAD OF SAVINGS TO CUSTOMERS.....THEN THIS DERANGED ARRANGEMENT NEEDS TO BE TAKEN UP BY THE ATTORNEY GENERAL'S OFFICE AND THESE LOOP-HOLES CLOSED.**

I have been a Puget Sound Energy electric customer for over 18 years. Every year PSE raises our rates. Every year the UTC holds a phone conference for one hour when we can call in. And every year the UTC ignores the public outcry to NOT give PSE permission to raise our rates AGAIN. Every year our complaints fall on deaf ears. We have one hour a year (actually ONE MINUTE!) to speak our peace and what happens? Nothing. It is business as usual. EVERY SINGLE YEAR PSE is allowed to RAISE OUR RATES.

WHY IS IT, the UTC STAFF IS ALLOWED TO COME TO THE CONCLUSION THAT PSE SHOULD BE ALLOWED TO RAISE OUR RATES EVERY SINGLE YEAR??

- There seems to be a fundamental problem with the way the system is set up in the DECISION MAKING PROCESS concerning raising our rates. Somehow the UTC STAFF (not the Commissioners) decide ahead of time, whether THEY THINK PSE should be allowed to raise our rates again.
- The UTC Staff gets together with big companies and mammoth corporations, (other than PSE – such as Walmart, Microsoft, Kroger Co., Sierra Club, etc. – 11 groups altogether) to decide on a “Tentative Settlement Agreement”.
- Over the years, I remember hearing that the UTC (I didn’t know then that it was referring to UTC STAFF and not the Commissioners) decides not to allow PSE the FULL AMOUNT they are asking for, but instead, only agrees to a somewhat lesser amount. And this happens, without fail, every single year.
- So the Staff always “looks like Heroes”, because they “make” PSE agree to a lesser amount than PSE originally asks for.
- But as the years (decades) went by, I started to get the feeling that PSE comes in with an inflated amount every year, on purpose, knowing full-well ahead of time, that they won’t get it, and are happy with the amount the UTC Staff “makes” PSE accept, because it was probably just about what PSE wanted in the first place.
- This way, the UTC looks good, and **PSE gets what they want: the rate increase they wanted.**

WHOSE SIDE IS THE UTC STAFF ON?

- It certainly is NOT the PSE Customer. I get the feeling that the **UTC Staff DOES NOT CARE ABOUT THE PSE CUSTOMER’S NEEDS AT ALL! PSE CUSTOMERS’ NEEDS ARE NOT EVEN FACTORED IN AS PART OF THE UTC STAFF’S DECISION-MAKING PROCESS.**
- **THE PROBLEM WITH ALL OF THIS – IS NOT THAT THE UTC STAFF’S ONLY FOCUS IS MAKING PSE ACCEPT A LESSER AMOUNT THAN PSE WAS ASKING FOR – THE REAL PROBLEM IS THE STAFF NEVER EVEN INCLUDES THE PSE CUSTOMERS IN THE NEGOTIATIONS AT ALL! THE UTC STAFF HAVE NO PROBLEM AT ALL WITH PSE RAISING OUR RATES, BECAUSE AT THE TIME OF NEGOTIATIONS – WE ARE COMPLETELY LEFT OUT. NO ONE EVEN THINKS ABOUT US OR WHAT WE NEED!**
- THAT IS WHY THE UTC STAFF ALWAYS GOES ALONG WITH PSE BEING ABLE TO RAISE OUR RATES....
- AND I BELIEVE IT IS WHY THE UTC COMMISSIONERS ALWAYS GO ALONG WITH THE STAFFS’ DECISION – **BECAUSE** THE COMMISSIONERS DON’T EVEN ASK FOR CUSTOMER COMPLAINTS/ COMMENTS UNTIL AFTER THE UTC STAFF HAS ALREADY MADE THEIR DECISION.

- As I said, there is a **FUNDAMENTAL PROBLEM** in the way the **DECISION-MAKING PROCESS IS SET UP.**

ONCE A YEAR UTC COMMISSIONERS' PHONE CONFERENCE AND THE ONE MINUTE RULE!

- When the UTC Commissioners hold a Phone Conference, we are SUPPOSED TO ONLY SPEAK FOR ONE (!!!!!) MINUTE. That in itself, is Ludacris. Crazy-making. We are made **TO FEEL SO STRESSED-OUT AND SO RUSHED** because we have **TO SPEAK A MILE A MINUTE – LITERALLY ONE MINUTE** – to try and give ourselves a voice, to try and express what we want and NEED to tell the Commissioners- WHO ARE SUPPOSED TO BE REPRESENTING US – THE PSE CUSTOMER! And this is after waiting **ONE WHOLE YEAR?** **We are given JUST ONE MINUTE?!** **HOW FAIR IS THAT? IT IS NOT FAIR AT ALL!**
- **AND** – SO MANY people were interrupted by the Commissioners, right in the **MIDDLE** of the person making A VERY IMPORTANT POINT – because the Commissioners said the person was talking for more than a minute. To interrupt us like you do, is very disrespectful. Aren't you **more** interested in **WHAT WE HAVE TO SAY**, than putting STRICT TIME LIMITS ON US?
- You ask us to call in to speak to you, but then you don't seem to care enough to take the time and **MAKE ENOUGH TIME** FOR US TO FULLY SPEAK TO YOU AND SHARE WITH YOU WHAT'S ON OUR HEARTS AND MINDS.

IS THAT BECAUSE you have ALREADY made up your minds, because in your mind you have already accepted your UTC Staff's "Tentative" Settlement Agreement?

- I've always felt your ONE yearly Phone Conferences are **ONLY** held, because **by law** you are **required** to hold them. That these conferences are merely paying "lip-service" to us – a formality so to speak. Is that why you rush each one of us through, as fast as you can, because in the end, it **DOESN'T REALLY MATTER AT ALL** WHAT WE SAY TO YOU. BECAUSE YOUR MINDS ARE ALREADY MADE UP IN PSE'S FAVOR....TO ALLOW THEM TO RAISE OUR RATES AGAIN.
- IS THAT WHY ALL OUR COMMENTS/COMPLAINTS ARE ARCHIVED AND NO ONE EVER LOOKS AT THEM OR READS THEM AGAIN?

IF WHAT I AM SAYING IS THE CASE, AND THE TRUTH ABOUT ALL THIS.....THEN IT ALL FALLS INTO PLACE....

- You ALWAYS AND WITHOUT FAIL,
- ACCEPT your Staff's Settlement Agreement TO ALLOW PSE TO RAISE OUR RATES.
- Hold a phone conference ONCE a year
- BUT then only give each of us ONE MINUTE to speak.
- AND then so rudely interrupt us when we are in the midst of making very important points ABOUT HOW CORRUPT AND DISHONEST PSE **REALLY** IS.....
- You interrupt us BECAUSE the reality IS – YOU REALLY **DON'T CARE** ABOUT WHAT WE HAVE TO SAY. What hypocrites you all are, if this is the truth....pretending to listen, when nothing we say is going to make any difference at all to any of you anyway, BECAUSE YOUR MINDS ARE ALREADY MADE UP. I wish I was wrong, but I don't think I am. I am going to continue to say what I feel needs to be said.

MY PHONE CONVERSATION WITH SHERRI WHITE IN THE UTC'S PROTECTION DEPARTMENT

I called the UTC's **Protection Department**. I spoke with Sherri White. She told me that when PSE Customers call in to her department to tell her they "**can't afford to pay their electric bill**", she said to me, "**These calls have NO SUBSTANCE to them because THEY LACK FACTS.**" Then she told me that what I had to say "**is substance** because I had facts."

When we finished talking, I hung up the phone and then called her back. *I told her the reason I speak up and do what I do, and say what I say, is for people who tell her they can't afford to pay their electric PSE bills. Because those are THEIR cold, hard facts.*

They are the ones who everyone needs to stand up and pay attention and listen to, because they are the ones suffering in their cold houses because they can't afford to turn their thermostats up any higher than they already are and still be able to afford to pay PSE's electric bills.

What Sherri White tells us is a direct contradiction to what the UTC Commissioners tell us....that our comments/complaints ARE the most important.

I HAVE SPENT THREE YEARS RESEARCHING PSE (2019, 2020, 2021) AND WANT TO SHARE WHAT I UNCOVERED.

The points I am making ARE VERY IMPORTANT FOR ALL PSE ENERGY CUSTOMERS.

Knowing what I know, I want to start by saying, I am hard-pressed to see why PSE wants to raise our rates again.

- Especially when PSE paid out over a 3 year period (2016 to 2018) almost \$40 MILLION dollars to their top FIVE employees – in salaries, incentives, compensations and bonuses. That was 4 years ago. You can be sure the amount has gone up. PSE is supposed to be a Utility Company, not the Fortune 500 Company they've become!
- PSE belongs to a group of 5 Utility Companies called "Investor-Owned Utilities" ("IOU's" for short) that service electric and gas customers across the state of WA. And I quote: "They are monopoly franchises" and "THEY EXIST TO MAKE A PROFIT FOR THEIR SHAREHOLDERS."
- These Investor-Owned Utilities, including PSE, paid out a total of \$395.3 MILLION dollars in DIVIDENDS in 2019.
- That's how wealthy they are.

The Utility and Transportation Commission (UTC) states, "It is the Commission's responsibility to ensure service to customers at reasonable rates, while allowing the company (PSE in this case) an opportunity to earn a FAIR return." (meaning for their shareholders) WHAT IS A FAIR RETURN when:

- PSE pays its CEOs MILLIONS of dollars EVERY YEAR in bonuses, etc.
- Takes in over \$100 MILLION EVERY MONTH – just from their residential electric customers alone
- Took in \$3.4 BILLION in Energy Revenue two years ago (in 2019)
- And paid out \$64.2 MILLION in DIVIDENDS (in 2019) to FIVE FOREIGN countries' pension funds.
- I would call this MORE than a "FAIR" RETURN.

The UTC treats PSE as if it is two separate companies – one that services its shareholders, and one that services its customers. The company is ONE Company, NOT two.

Let's examine the facts: Truth is facts. What are the PSE facts? Simply put, PSE takes in BILLIONS of dollars every year and gives away MILLIONS of dollars in profits to its shareholders and CEOs every year, while STILL being allowed to raise our electric rates every single year.

The profits PSE makes, should be funneled down to its customers FIRST to lower our electric rates, NOT funneled upward FIRST TO PAY their ALREADY wealthy shareholders. The UTC's first and most important priority and concern is to protect the customers FIRST, because we are the one's struggling to pay our ever rising PSE bills, while still being able to afford to stay warm in the winter and put food on our tables. These are OUR FACTS.

And know for a fact, that PSE, the UTC and the OAG should NOT rest easy thinking they have the poor people's backs covered, when there are 1000s and 1000s of families, including children and the elderly, in the state of Washington, who do not and cannot qualify for such programs as "LIHEAP" and the H.E.L.P." program. This is because their income is slightly above, even by just a few dollars, over the income-level cut-off. This means there are thousands of people still shivering day and night in their cold houses and apartments in the winter, because they can not afford to turn their thermostats up any more than they already are. (EVEN IF IT WAS JUST ONE PERSON SHIVERING IN THE COLD, IT WOULD BE ONE TOO MANY!) Tell this to PSE's already wealthy CEOs and Shareholders. What sense does it make? NONE! And PSE should NEVER be allowed to use the fact that we use less and less electricity as one of their reasons (excuses) to raise our rates. We turn down our thermostats more and more to avoid having to pay higher and higher electric bills.

How is it that PSE's MILLIONS AND BILLIONS OF DOLLARS IN WEALTH at the top has never "trickled down" to the bottom TO TRANSLATE INTO SAVINGS FOR CUSTOMER RATES? Yet the UTC ALLOWS PSE to generate billion of dollars and GIVE AWAY millions in dividends, while still being allowed to raise our rates every single year!

PSE has become a "Profit-Churning Machine." It has joined the ranks of what I call Corporate America – "Profits at all costs." We shouldn't have to pay for an overly "top-heavy" utility company with way too much money floating around at the top. It becomes very clear THERE IS A CONFLICT OF INTEREST HERE. So when you, the UTC talk about balancing the NEEDS of both the customers and the company's shareholders....Who do you think has the greatest need? The already wealthy, becoming wealthier or we, the customers at the bottom, just trying to stay warm in the winter and struggling to feed our families.

We are told by the Attorney General's Office that: "In the end, the Commissioners must ensure that rates are fair, just and reasonable for ALL INTERESTS involved."

Let's examine this statement:

- This word "interests" should NOT be used in the same sentence when referring to Shareholders and Customers, because the meaning is completely opposite for each one.
- The Shareholder's "interests" are vastly different from the Customer's "interests"/ needs.
- Customer "interests" actually refers to Customer's "Needs" – the need to stay warm in the winter and still be able to afford their PSE bills.
- While Shareholder's "interests" means how much money (profits) they can make. In other words, the already wealthy, becoming wealthier.
- Under this context, PSE being allowed to raise PSE customer's rates every year IS NEITHER FAIR, JUST, NOR REASONABLE. The wealthy don't need protection, but the poor and vulnerable do.
- The OAG's statement should be changed to read, *"The Commissioners must ensure that rates are fair, just and reasonable for the utility customers first. Then the needs of the other groups involved can be addressed."*

PSE DOESN'T FOLLOW UTC'S ORDERS:

Another fact: Why is PSE allowed to ignore the UTC's direct orders to PSE to profit-share with its customers? In 2013, the UTC ordered PSE to share its profits 50/50 with its customers. I know of at least 2 other times the UTC ordered them to profit-share with us. But somehow, PSE has found ways to get around this. They have NEVER shared their profits with us to lower our rates. They refuse to follow these orders.

How is it that PSE seems to have become more powerful than the UTC itself? PSE blatantly ignores and get away with it, over and over again, UTC's direct orders to share their profits with their customers.

When the UTC ordered PSE to share its profits 50/50 with customers, the Commission used what is called "earning tests" that required PSE to share excess profits with customers "in certain circumstances". This took place as part of a MYRP (Multi-Year Rate Plan), and PSE's earnings would have had to go above an authorized amount before credits to customers were required. (The rate plan expired in 2017.)

So.....**supposedly**, PSE didn't have enough profits to share with us – according to the "earnings test" **combined with using the highly faulty Multi-Year Rate Plan (!)** – (that allows PSE room, over time, to be deceptive.) PSE put up a **pretense** that they didn't have enough money to share any profits with us.....**AND I want to say...."BUT NOT BEFORE PROFITS WERE TURNED OVER BY PSE TO THEIR SHAREHOLDERS."**

PSE's CODE OF CONDUCT

PSE has a "Code of Conduct" (It should be a "Code of Ethics" instead!) that states that all their Corporate Officers, Treasurer, etc. **"...are empowered to ensure that all stakeholders interests are appropriately balanced, protected and preserved."**

- How are they "**empowered**" ? That sounds **ominous!**
- to ensure (how do they "**ensure**"? That also sounds **ominous!**)
- "**THAT ALL STAKEHOLDERS INTERESTS**" (meaning Shareholder's interests, meaning profits)
- "**are appropriately balanced, protected and preserved."** (At what cost to the customers, the general population, the environment, and even the UTC itself – I would say "**At ALL Costs**" !!!!!!!
- PSE doesn't care WHO or WHAT they steam-roll over and destroy in the process of "protecting and preserving" their "Stakeholder's Interests".
- The word "Stakeholder" is appropriate....**BECAUSE EVERYTHING IS AT STAKE!** For PSE, no price is too HIGH – for everyone and everything else to have to pay – for whatever PSE wants to do and can get away with! **AND THAT IS AN UNDERSTATEMENT X MILLIONS!!**

WHO IS PROTECTING THE RIGHTS OF THE PSE CUSTOMERS AND ENSURING OUR INTERESTS/ NEEDS are "appropriately balanced, protected and preserved" ?

PSE has financially re-structured itself over the years, **TO THE POINT WHERE THE OAG AND THE UTC STAND BY AND WATCH,** all the structures and safety nets that used to be in place **to protect PSE customers, being burnt to the ground.**

It seems PSE has built itself a "House of Cards" built on a foundation of sand...An ever increasing mountain of loop-hole after loop-hole to want to protect anything and EVERYTHING IT WANTS TO DO...AND NO ONE HAS THE COURAGE TO STAND UP TO THEM.

- If PSE has re-structured itself, with so many financial loop-holes, **that profits to shareholders come first, instead of saving to its customers....**then this deranged arrangement need to be taken up by the Attorney General's Office and these loop-holes closed.
- The AG needs to step up and **stop PSE in its tracks** and MAKE THEM TOW THE LINE by ensuring **that UTC's orders are followed,** and **that PSE shares their profits with their customers FIRST, to ensure**

they lower our rates. Let PSE use their millions and billions of dollars in profits to LOWER our rates.

When I talk about an “Ethical Assessment” of PSE, THIS IS KEY: Why is PSE ALLOWED by the UTC and the Attorney General, Bob Ferguson, to give away millions of dollars to already very wealthy shareholders, while people in Washington State are shivering in their houses, trying to keep warm, because they can’t afford to pay a higher electric bill? What sense does it make? NONE!

PSE’s MORAL OBLIGATIONS AND FINANCIAL OBLIGATIONS SHOULD BE ONE AND THE SAME. RIGHT NOW, THERE IS A HUGE CAVERN BETWEEN THEM.

- **PSE should NOT be allowed to use a MYRP (Multi-Year Rate Plan). Instead they should be held to account EVERY SINGLE YEAR, so they are forced to be completely transparent.**
- **Right now it is a known fact that that PSE has NOT been transparent about their finances.**
- On July 28 of this year, the Public Council Unit of the UTC became involved in two court cases against PSE. The testimony in court revealed **that PSE HAS LIED AND BEEN DISHONEST, MANY TIMES MANIPULATING AND MISREPRESENTING THEIR FINANCIAL FACTS TO TRY AND GET MORE MONEY.**
- **SHOCKING that this is our Utility company and WHO the Commissioners have to deal with! It’s impossible to find the honest truth when dealing with PSE. And we, the customers bear the cruelty of their dishonesty.**

So the question remains: How is it that LEGALLY, PSE can generate Billion of dollars in revenue, and give away Hundreds and Hundreds of Millions of dollars in profits, but none of these profits “trickle down” to become savings to lower our customer rates? This is the question of the utmost importance that needs to be addressed and clearly answered. And of this moment, it still has not been answered. Thank you. Cindy Kisska, Birch Bay, Sept. 29, 2022.

One last thought:

MILLIONS OF DOLLARS (PERHAPS BILLIONS) OF PSE PROFITS ARE BEING FUNNELED OUT OF WASHINGTON STATE AND THE U.S. EVERY YEAR. \$64.2 MILLION DOLLARS IN 2019 went to five Foreign Countries’ Pension Funds. That’s a HECK OF A LOT OF MONEY that could be well spent in our Local Communities:

- **The first priority is for PSE to LOWER the costs of our energy bills.**
- Then how about investing in SUSTAINABLE, RENEWABLE ENERGY SOURCESlike SOLAR POWER.
- How about projects that help clean up our environment....protect our ecological natural resources....such as the vital salmon runs necessary for our food chain.
- How about helping to fund our schools. The fact is most of our schools are severely lacking in enough Student Counselors....the Blaine Middle School has ONLY ONE COUNSELOR FOR OVER 400 STUDENTS, and the High School has TWO COUNSELORS FOR ABOUT 650 STUDENTS. **The NEED for more School Counselors IS ENORMOUS. The highest number of calls to the National Suicide Help Line (about 65% to 70%) are students between the ages of 11 and 15 years old, wanting to end their lives because they are so-o stressed out by school, itself. And about 30% of the calls are due to bad situations at home** (drug-addict or alcoholic parents, some form of child abuse, etc.) If you

ask the schools why they don't hire more Counselors, they'll tell you they'd have to let a teacher go, because that is all their budget will allow.

- Filling the needs of how this money could be well spent in the state of Washington, are vast and endless.