

## Mak, Chanda (ATG)

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**From:** stephen Nielsen <stephenjNielsen@hotmail.com>  
**Sent:** Monday, July 25, 2022 8:49 AM  
**To:** comments@utc.wa.gov; ATG WWW E-mail Public Counsel  
**Subject:** Comment on proposed Docket UE-220067 , Natural Gas

[EXTERNAL]

July 25, 2022

Comment on proposed Docket UE-220067 , Natural Gas

Rate increases are justified when contextual to realistic expenses. This proposal is not realistic. The proposed increase of 12.98 per cent in 2023, another 2.29 increase above the prior year in 2024 and another proposed increase of 1.82 of the prior year's increase does not, without careful justification, meet the threshold of a rational business model.

PSE informs customers that rate adjustments are needed for several reasons.

"To continue to provide safe and reliable service." What will the increase do to achieve that goal? What data exists to show unsafe service and how specially will an increase be used to lessen risk?

"To decarbonize it energy systems..." That work is needed and necessary. However, the work is capital dependent. Will the utility use rate increase revenues to support a bona fide capital expense? What other tools are available to address the need at lower cost? Capital needs can be bonded and utilized at lower cost than the current 9.4 return on equity. If PSE did that while enjoying the proposed rate hike, they will profit even higher from the difference of Bond expense to the Revenue increase.

"To recover increased operating costs." One does not recover increased cost. Whoever wrote that line does not understand finance. Has PSE had prior years of negative financial performance? If so, they are seeking to recover past loss. Every investor would be delighted if their past investments could be bolstered and increased against past reality. I trust you will pursue such sloppy thinking including conjecture on the part of PSE.

"To set rates for a multiyear rate plan that reflect upcoming capital investments and operating costs over a three-year period." With proper forecasts and documentation, PSE may have a case for some amount of rate increase. Please do not take their assessments and projections on face value. As a customer, I need and want their service. I have no choices outside of PSE. I and others need their service. Yet, they are bound as a regulated monopoly to a different standard above creating highly attractive investments.

"To increase PSE's authorized return on equity from 9.4 to 9.9%" Well above averaged inflation the proposed increases will benefit investors over customers. Monopolistic Utilities should not be able to make high profits at the expense of hurting customers and eventually themselves.

Please do not accept the proposed docket's remedies to PSEs perceived desires.

Thank you,

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A PSE customer  
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