

**WASHINGTON
ENVIRONMENTAL
COUNCIL**

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August 16, 2013

Washington Utilities and Transportation Commission
P.O. Box 47250
1300 S. Evergreen Park Dr. SW
Olympia, WA 98504-7250
Docket #UE 120767

2013 AUG 16 PM 1:23

Dear Chairman Danner and Commission Members,

We are writing to comment on Puget Sound Energy's (PSE) Integrated Resource Plan (IRP) that is currently being reviewed by your Commission.

Washington Environmental Council (WEC) has a long-term commitment to advance state policy to reduce greenhouse gas (GHG) emissions, use energy efficiently, transition to clean energy, and set limits on global warming pollution that drive a clean energy future.

Only about 15% of Washington's electric power is coal generated - but coal contributes over 80% of the GHG emissions from this sector, and 17% of Washington State's GHG emissions overall. To meet our statutory obligations to reduce GHG emissions outlined in RCW 70.235.020 we need to use significantly less coal, and yet the most recent IRP presented by PSE continues to rely on imported coal power in a way that will make it almost impossible to meet these limits.

Additionally, changes are being discussed at both at the state and federal level that would impact pollution produced at coal power plants. Washington is currently analyzing how to meet the GHG emissions limits listed above, and is looking at a variety of carbon pricing methods and other electricity sector specific options to do so. The Obama administration and the EPA are currently in the process of writing new regulations which will dramatically impact the allowed carbon emissions from existing power plants. These new regulations may mean that continued investment in Colstrip and other coal powered plants will quickly become more, and perhaps prohibitively, costly.

Washington Administrative Code (480-100-238 subsection (2)(b)) directs the UTC to consider that the lowest reasonable cost scenarios include the cost of risks associated with environmental effects explicitly including emissions of carbon dioxide. Based on this directive and current and planned Federal and State policy, we believe that PSE's decision not to include either fiscal or environmental cost of carbon in their IRP will leave both the utility and its customers vulnerable for additional costs and risks moving forward. We urge the UTC to request that the IRP be updated to include an appropriate cost of carbon. We are concerned that PSE continues to invest in an old, out-of-state coal plant when there are cleaner, more sustainable alternatives available here in Washington State. These alternatives could mean not only fewer GHG emissions and healthier air for the Northwest, but also significant numbers of new jobs for Washington. As one of America's leading utility-developers of wind power, and with interests in developing solar power, PSE is well positioned to transition off coal and lead on producing and supplying green power to their customer base.

Washington Environmental Council and Puget Sound Energy share a constructive working relationship and we appreciate the investments PSE has made in renewable energy, energy efficiency and encouraging stewardship and environmental responsibility among their customer base. We look forward to ongoing work together to make Washington State a leader in renewable energy.

Sincerely,

A handwritten signature in cursive script that reads "Becky Kelley". The signature is written in black ink and is positioned above the typed name and title.

Becky Kelley
Deputy Director, Washington Environmental Council

CC:

The Honorable Jay Inslee, Governor
The Honorable Doug Ericksen, State Senator
The Honorable Joe Fitzgibbon, State Representative
The Honorable Kevin Ranker, State Senator
The Honorable Shelly Short, State Representative
Kimberly J. Harris, President and CEO, Puget Sound Energy
David Namura, Government and Community Relations Manager, PSE