

Hartman, Brice C (ATG)

From: Kevin Bannon <kabannon@comcast.net>
Sent: Friday, September 13, 2024 11:19 AM
To: comments@utc.wa.gov; ATG WWW E-mail Public Counsel
Cc: Roberts, Andrew (UTC)
Subject: case ue240004 ug240005 ug230968 statement to commission and ATG against all 3

[EXTERNAL]

Regarding ue240004

1. Increases rates approximately 20% over a 2 year period following a similar increase the previous 2 year period, far exceeding the already high rate of inflation. These increases are harmful for all customers and for the growth of the economy.
2. These increases are built upon poor direction from the state legislature and the UTC. The mandates for PSE to close generation facilities and try to open new more expensive facilities is harmful to the safety and soundness of the company, and to the energy security of the state.
3. Multiple sources including redacted documents verify the company will have challenges meeting demand both in terms of meeting customer demand, bringing new sources on line and successfully financing.
4. There will be even more painful and eventually unsustainable general rate increases in the future and likely interruptions of service.
5. The UTC needs to deny this general rate increase. Instead the UTC needs to permit PSE to keep operating its existing generation assets and build new assets that are cost effective. The UTC has authority to so authorize PSE.
6. The UTC should authorize this before the problems begin rather than fail its mission to provide affordable available energy to the citizens of this state.
7. Finally both the ATG and UTC need to stop redacting submitted evidence. It's particularly silly because it sets a false narrative adjudicating the merits of this case and the information is also publicly available from the source.

Regarding ug23068 & ug240005

1. Increases in the high teen percentages over the next 2 years following similar increases in the previous 2 year period far exceeding the already high rate of inflation. These increases are harmful for all customers and for the economic security. Furthermore they place an inequitable and unjust burden on classes of customers the UTC is mandated to protect.
2. These increases are predicated upon the direction the UTC and the legislature that create an unreasonable situation for PSE and customers.
3. The company does not have the financial and technical resources to develop sufficient energy resources to replace natural gas. Moving in this direction will not only make energy unaffordable, and in short supply at any price. The company furthermore cannot realistically pass on all future costs and this will threaten its future financial soundness.
4. Company focus needs to be on long term supply of natural gas to customers as it is the cheapest and easiest to produce energy source available.
5. Any general rate increase needs to reflect that following the Russian invasion of Ukraine and worldwide prohibition of purchasing of Russian oil and natural gas exports, other supply sources increased but then natural gas prices dropped from the previous highs.
6. The UTC should use its authority to authorize PSE to continue to distribute natural gas to address market demand indefinitely and focus on rate increases focused to cost of operations. New energy production sources need to be restricted to assets that can be quickly built and deliver value – defined as the best retail price as well as best customer utility (ease of utilization) for the amount of capital committed.

Regarding both:

1. The UTC should focus on PSE's efficiency metrics, maintaining the current network and bringing in new production as technology and economic opportunities allow rather than trying to force changes at an unreasonable rate.
2. The UTC should be mindful that conservation cannot do everything. A growing population requires new energy sources that are well considered and constructed at an optimal rate. Existing energy production should be kept for its full designed life and even retrofitted when feasible and operated on a best price per a energy unit delivered basis.
3. In all cases, UTC and associated parties need to keep all submissions and evidence open to the public. Keep in mind the UTC says it is following a quasi-judicial process. A bulwark of the judicial process is open discovery and full disclosure of evidence and witnesses before the trial.
4. Thanks to Mr. Andrew Roberts for assisting me gathering data.