

# **WUTC v. Puget Sound Energy / In the Matter of: Puget Sound Energy**

**Docket No. UE-240004, UG-240005, and UE-230810 -  
Vol. I**

**October 9, 2024**



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BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION

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WASHINGTON UTILITIES AND )  
TRANSPORTATION COMMISSION, )  
) )  
Complainant, )  
) )  
vs. ) DOCKETS UE-240004  
) and UG-240005  
) (Consolidated)  
) )  
PUGET SOUND ENERGY, )  
) )  
Respondent. )  
)

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In the Matter of the Petition of ) DOCKET UE-230810  
) )  
PUGET SOUND ENERGY )  
) ORDER 05  
Petitioner, )  
) )  
For an Accounting Order Authorizing )  
deferred accounting treatment of )  
purchased power agreement expenses )  
pursuant to RCW 80.28.410 ) PAGES 1-20

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PUBLIC COMMENT HEARING - VOL. I  
CHAIR DAVID DANNER PRESIDING  
October 9, 2024

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Washington Utilities and Transportation Commission  
621 Woodland Square Loop SE  
Lacey, Washington 98504

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TRANSCRIBED BY: ELIZABETH PATTERSON HARVEY, WA CCR 2731

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A P P E A R A N C E S :

FOR THE COMMISSION:

Commission Chair David W. Danner  
Commissioner Milt Doumit  
Commissioner Ann Rendahl

FOR PUBLIC COUNSEL

Brett Shearer  
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Office of Public Counsel  
Attorney General of Washington  
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206.464.7740

ALSO PRESENT:

Mel Castaneda-Kerson - Commission Staff  
Kris Irelan - Commission Staff

I N D E X O F P R O C E E D I N G S

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COMMENTS BY	PAGE
Frank Damiano.....	10
Andrea Smiley (phonetic spelling).....	12
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Eduardo Bailey (phonetic spelling).....	16

1 October 9, 2024

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3

4 CHAIR DANNER: All right. Good evening,  
5 everyone. Today is October 9, 2024, and this is a public  
6 comment hearing of the Washington Utilities and  
7 Transportation Commission in Puget Sound Energy's general  
8 rate case. This is Consolidated Dockets UE-240004,  
9 UG-240005, and UE-230810.

10 I'm Dave Danner. I'm chair of the  
11 commission. And I'm joined by my colleagues,  
12 Commissioner Ann Rendahl and Commissioner Milt Doumit.

13 On February 15, 2024, Puget Sound Energy  
14 filed with the Washington Utilities and Transportation  
15 Commission revisions to its currently effective tariff,  
16 WN U-60, Tariff G, Electric Service; and its currently  
17 effective tariff, WN U-2 for natural gas.

18 On March 5, 2024, the commission entered an  
19 order setting this matter for adjudication. In its  
20 filing, Puget Sound Energy requests that the commission  
21 increase its electric and natural gas rates in 2025 and  
22 2026.

23 For electricity rates, Puget is requesting a  
24 total revenue increase of 192.2 million in 2025, and  
25 259.9 million in 2026.

1           For natural gas rates, Puget is requesting a  
2 total increase of 196 million in 2025 and 25.4 million in  
3 2026.

4           For electricity customers, this request is  
5 for a 6.74 percent increase in electrical revenues in  
6 2025, and an 8.48 percent increase in 2026.

7           For natural gas customers, Puget's request is  
8 for an 18.96 percent increase in revenues in 2025, and a  
9 2.07 percent increase in 2026.

10           The company cites the need for revenue  
11 because of major capital investments to meet additional  
12 mandatory regulatory obligations as set out in law and  
13 replace aging and damaged infrastructure. The company  
14 notes that it has endured inflation, increased interest  
15 rates, and increased energy costs.

16           They also propose to increase the returns  
17 paid to investors from 9.4 percent to 9.95 percent in  
18 2025, and to 10.5 percent in 2026. The proposals would  
19 increase the average residential customer's bill by \$7.84  
20 a month in 2025, and another \$11.20 per month in 2026.  
21 For natural gas customers, this would be an average  
22 increase to the monthly bill of \$13.96 in 2025 and  
23 another \$1.51 per month in 2026.

24           This matter is currently being adjudicated  
25 before the commission, and we sit as judges in what is

1 essentially a trial.

2           The other parties to this proceeding are as  
3 follows: Besides Puget Sound Energy, the utility  
4 commission staff, which operates independently from the  
5 commissioners; the Washington Attorney General's Office  
6 Public Counsel Unit, which participates under statutory  
7 authority; and then the following intervenors: The  
8 Alliance for Western Energy Consumers; Microsoft;  
9 Walmart; Nucor Steel; Fred Meyer Stores; The Northwest  
10 Energy Coalition; Sierra Club; Front and Centered, which  
11 is an environmental and low-income customer advocate, and  
12 The Energy Project, which is a low-income customer  
13 advocate. These parties are formally participating in  
14 the proceeding, and are either acting as intervenors or  
15 under statutory authority to participate.

16           But we also in our proceedings want to hear  
17 from members of the public on their views on the case  
18 before us. The comments we receive from you this evening  
19 will be made part of the formal record in the case. And  
20 for that reason, we will -- because the commissioners sit  
21 as judges, we cannot answer questions from those  
22 commenting tonight. We are here to listen to your  
23 comments.

24           And so with that, I'm going to turn it over  
25 to Kris Ireland from our staff. And Kris will lay down

1 the ground rules, and then we will get started. Kris?

2 KRIS IRELAN: Thank you, Chair Danner.

3 Good evening. My name is Kris Irelan, and  
4 I'm a public involvement representative with the  
5 Utilities and Transportation Commission. I will be the  
6 moderator for the comment hearing this evening.

7 If you did not sign up in advance to provide  
8 comment at this evening's hearing and wish to do so,  
9 please put your first and last name into the chat.

10 If you're calling in, please press Star 9 to  
11 raise your hand, and we will call on you for your name in  
12 a few minutes. If you have already provided your name,  
13 there is no need to provide it again.

14 Now for some meeting logistics: Please mute  
15 your connection unless you are called on to speak.

16 If you are participating via the Zoom  
17 application, you can mute by clicking the microphone  
18 icon. A slash will appear across the microphone,  
19 indicating that you have successfully muted your  
20 connection. To unmute, click the microphone again, and  
21 the slash will disappear. Please remember to mute your  
22 connection after you are done speaking.

23 If you called in with your phone, press Star  
24 6 on your phone to mute yourself. When you are called on  
25 to speak, press Star 6 to unmute yourself. After you are



1 done speaking, please press Star 6 to mute yourself  
2 again.

3 Please wait to be called on for comment, and  
4 do not interrupt other speakers.

5 There are two options to report technical  
6 difficulties. You can use the chat feature in Zoom, or  
7 you can call Ryan Smith at 360-915-3646.

8 The chat feature should be used to report  
9 technical difficulties and to ask to be added to the  
10 sign-in sheet. We will not be accepting comments via the  
11 Zoom chat feature, so please do not use the chat to  
12 provide your comments.

13 Closed captioning is available via the  
14 toolbar at the bottom of the Zoom application.

15 When you are called on to speak, you will  
16 have two minutes to provide your comment.

17 If you do not wish to speak tonight, and you  
18 still would like to provide your comments in writing, you  
19 can submit written comments through the following ways:  
20 The online public comment form can be found on the  
21 commission's website at  
22 [www.utc.wa.gov/consumers/submit-comment/public-comment-](http://www.utc.wa.gov/consumers/submit-comment/public-comment-form)  
23 [form.](http://www.utc.wa.gov/consumers/submit-comment/public-comment-form)

24 And we do that -- have that on the screen  
25 also. I know that's long.

1                   You can also submit a comment via e-mail  
2 using address [comments@utc.wa.gov](mailto:comments@utc.wa.gov).

3                   The toll-free number is 1-888-333-9882.

4                   Or you can write to the UTC at PO Box 47250,  
5 Olympia, Washington, 98504-7250.

6                   As a reminder, the commissioners act as  
7 judges in formal filings like this, and cannot answer  
8 questions. However, if you do have questions, you can  
9 e-mail your questions to [comments@utc.wa.gov](mailto:comments@utc.wa.gov), or by  
10 calling 888-333-9882, and ask to speak to Andrew Roberts.

11                   You can contact public counsel by e-mail at  
12 [utility@atg.wa.gov](mailto:utility@atg.wa.gov) or by calling 206-464-7744.

13                   Before I turn the time over to Chair Danner,  
14 if you wish to speak tonight and haven't provided your  
15 name yet, please put your first and last name into the  
16 chat if you are using the Zoom application.

17                   If you are calling in, please press Star 9 to  
18 raise your hand, and we will call on you to provide your  
19 name. When we call your phone number, please provide the  
20 first and last name with the spelling. After you provide  
21 your name, press Star 9 again to lower your hand.

22                   I will now turn the time over to Chair  
23 Danner, Commissioner Rendahl, and Commissioner Doumit.

24                   CHAIR DANNER: All right. Thank you very  
25 much.

1           Let me turn to my colleagues and see if they  
2 have any comments. Otherwise, we will just get going.

3           All right. We will start. There are a few  
4 people who have signed in. They're not sure whether they  
5 wish to comment.

6           I will call on Mike O'Grady. Do you wish to  
7 speak to us tonight?

8           All right. Suzanne Hensler, would you like  
9 to speak to us tonight?

10          All right. Frank Damiano?

11          FRANK DAMIANO: Oh, yes.

12          CHAIR DANNER: Welcome back. Good to see  
13 you.

14

15                           COMMENTS BY FRANK DAMIANO

16          THE WITNESS: Okay. I'm a little nervous.  
17 I'll do the best I can.

18           So Puget Sound Energy is requesting these  
19 rate adjustments. If you look at these adjustments,  
20 they're not fair. These increases are not fair.  
21 Inflation did not increase by the amounts they propose,  
22 and they've been increasing rates for years.

23           Another reason that they've asked for  
24 increases, Bullet Point Number 2 says -- and I'm  
25 paraphrasing -- to deploy energy resources such as

1 rooftop solar to reduce the need for large infrastructure  
2 projects.

3 Said another way, they want to charge us to  
4 install rooftop solar to supply them with energy? I  
5 mean, they want to charge us to provide them with energy  
6 resources? This is ridiculous.

7 Lastly, they say they must set rates for a  
8 multiyear rate plan that reflect their upcoming capital  
9 investments and operating costs over the next two years.  
10 Well, you know, it sounds like they want to increase  
11 rates to us for them to make investments so they can make  
12 profit so that they can raise our rates even higher.  
13 This is price gouging.

14 And I'd like to add to the docket a proposal.  
15 I propose that the UTC create a bargaining unit agreement  
16 where companies compete for our business. They will have  
17 great impact on Washington, and so much so, Mr. Danner, I  
18 think that you'd be able to run for Congress, okay?

19 There. I've said my piece.

20 CHAIR DANNER: All right. Thank you very  
21 much, Frank Damiano, and thank you for your participation  
22 tonight and last night as well.

23 For the record, I do not have any interest in  
24 running for Congress, but your points are well taken.  
25 Thank you.

1 I will go down -- let's see. I saw that  
2 Suzanne Hensler, I believe that you had some comments in  
3 the chat. I hope my staff is responding to you so that  
4 we can get your comments in the record.

5 Again, I will go back to some of the names  
6 that -- Mike O'Grady, are you on the line and do you wish  
7 to comment tonight?

8 Is there anyone else on the call who wishes  
9 to comment tonight?

10 Andrea Smiley, are you there?

11 ANDREA SMILEY: Yes.

12 CHAIR DANNER: Go right ahead.

13

14 COMMENTS BY ANDREA SMILEY

15 ANDREA SMILEY: Thank you.

16 Good evening, Commissioners. My name is  
17 Andrea Smiley, and I'm here to speak on behalf of the  
18 Building Industry Association of Washington, which  
19 represents about 8,300 members in the homebuilding  
20 industry.

21 Our members are deeply concerned that Puget  
22 Sound Energy's proposed rate hikes for both electricity  
23 and natural gas in the following two years will create a  
24 more unaffordable environment for homeowners and renters.  
25 These increases, while they may seem minor, represent a

1 significant burden for Washington families that are  
2 already struggling with rising costs.

3           And the average residential customer would  
4 face an additional 228 annually for electricity and 186  
5 for natural gas. Those cost increases for many could  
6 mean the difference between choosing between heating and  
7 eating.

8           Our community is already facing economic  
9 hardship. 23 percent of middle income earners are cost  
10 burdened by rents, and 64 percent of PSE's customers have  
11 been known to be -- sorry; excuse me. 64 percent of  
12 customers struggle to pay their utility bills. These  
13 rate increases will only make the struggle even more real  
14 for them.

15           We understand PSE's need to address  
16 operational costs, but we believe that there are  
17 alternative approaches that do not involve passing  
18 substantial costs on to ratepayers. PSE's role as a  
19 regulated monopoly requires accountability, not unchecked  
20 price hikes that harm families and businesses across our  
21 state.

22           We urge the commission to reject the proposed  
23 rate increases and explore more equitable solutions that  
24 balance the needs of Washingtonians with those that are  
25 PSE customers.

1 Thank you for your time this evening.

2 CHAIR DANNER: Thank you very much for your  
3 participation.

4 And now let me turn to Melissa Petrini. Are  
5 you there?

6 MELISSA PETRINI: Yes, I'm here. I don't know  
7 if you can see me.

8 CHAIR DANNER: Go right ahead.

9

10 COMMENTS BY MELISSA PETRINI

11 MELISSA PETRINI: Hi. Melissa Petrini, a  
12 director for Highline School Board. I'm not speaking on  
13 behalf of my board, but just as an elected official.

14 I have some concerns as we're seeing a lot of  
15 our prices rise through inflation with our insurance, and  
16 also with electricity to all our schools. And so there's  
17 definitely concerns about the potential impacts for  
18 school districts and what kind of impact that will have  
19 for our kids.

20 It's interesting, as a personal note, just  
21 that over the last several years as we've watched gas  
22 prices rise, we've had our own governor cite greedy  
23 corporations for those reasons. So there's then, you  
24 know, do we draw a conclusion that there's greed  
25 happening with these rate increases? If not, usually

1 rates tend to go up when we have increased demand.

2 But if you're now diminishing a renewable  
3 energy, natural gas, then you're essentially manipulating  
4 that demand to increase. And we don't quite have the  
5 infrastructure to take on all that extra demand through  
6 pushing everyone towards electric.

7 So there's a lot of questions about are we  
8 ready for this, that it should be a very slow -- you  
9 should have incentives for people to want to switch over,  
10 but we shouldn't be taking away natural gas, as we were  
11 sold 20, 30 years ago that that was the clean renewable  
12 energy of the future.

13 So it makes no sense for someone like myself,  
14 who has several fireplaces and gas stoves, and our  
15 heating is all contingent on that. And I had PSE come  
16 out and do an assessment on my own home, like, how much  
17 would it cost for us to fully switch over. Because our  
18 fireplaces are at the end of their life, so we're trying  
19 to decide do we do natural gas again, or do we go  
20 straight into electricity and what would that cost? And  
21 they said for my home, it would be anywhere from \$70- to  
22 \$80,000 to replace all our utilities, which a lot of  
23 homeowners cannot afford.

24 So just thinking about that, the potential  
25 cost to homeowners having to switch over, the rates being



1 increased is just really going to squash a lot of our low  
2 to middle income families.

3 So I'd just like you to also recess those  
4 rate increases. So thank you.

5 CHAIR DANNER: All right. Thank you very  
6 much. Appreciate your taking time out of your evening to  
7 talk with us.

8 That looks like everybody that has signed in  
9 so far. Is there anybody else on the call who wishes to  
10 make a comment to the commission on this docket  
11 tonight?

12 UNIDENTIFIED SPEAKER: Yes, I would.

13 CHAIR DANNER: Eduardo, what is your name,  
14 please?

15 EDUARDO BAILEY: Eduardo Bailey. I think I  
16 pressed -- I went too fast when I saw my name.

17 CHAIR DANNER: Okay. Well, here you are. So  
18 go right ahead.

19

20 COMMENTS BY EDUARDO BAILEY

21 EDUARDO BAILEY: Okay. First, let me thank  
22 you for facilitating this meeting.

23 And my question, it's just a single question.  
24 And of course, I'm not looking at a political point here.  
25 I just want to know if PSE is charging us secretly for

1 cap and trade. I read it somewhere online, but of course  
2 that's online. So I'd appreciate a forthcoming answer  
3 from PSE on that.

4 Thank you.

5 CHAIR DANNER: All right. Thank you very  
6 much. Eduardo Bailey, the attorney general's public  
7 counsel unit represents the interests of residential  
8 ratepayers in our proceedings. And I note that they are  
9 on the call tonight.

10 Brett Shearer, I see you. I don't know who  
11 else from your office is there. But if you want to reach  
12 out to public counsel, you'll see that there's a number  
13 on screen, 206-464-7744.

14 EDUARDO BAILEY: Got it.

15 CHAIR DANNER: And you can discuss that with  
16 them. Because I'm a judge in the case, I can't engage  
17 you in the conversation.

18 EDUARDO BAILEY: (Inaudible).

19 CHAIR DANNER: But public counsel certainly  
20 can.

21 EDUARDO BAILEY: I appreciate you. Thank  
22 you.

23 CHAIR DANNER: Thank you.

24 EDUARDO BAILEY: Yes.

25 CHAIR DANNER: All right. Is there anyone

1 else on the call tonight who wishes to make a comment for  
2 this docket?

3 All right. I am not hearing any others.

4 Let me ask Mel Castaneda-Kerson, is there  
5 anyone else that you know of who wishes to comment  
6 tonight?

7 MEL CASTANEDA-KERSON: There has been no  
8 more. No more people have signed up.

9 CHAIR DANNER: Okay. Well, at this point,  
10 then, we will prepare to adjourn for the evening.

11 I would like to ask if public counsel is on  
12 the line, do we want to talk about how long we will be  
13 accepting written comments?

14 ATTORNEY JOHANSON-KUBIN: Hi, yes. I'm  
15 Jessica Johanson-Kubin here for public counsel.

16 CHAIR DANNER: Oh, I didn't see your name.  
17 Yes, good evening.

18 ATTORNEY JOHANSON-KUBIN: Good evening. We  
19 would ask that the deadline to file public comments would  
20 stay open until -- what is this -- November 19, which is  
21 two weeks after the end of the hearing -- or excuse me;  
22 the deadline for us to file the exhibit two weeks after  
23 the conclusion of the hearing, and that the record be  
24 open to comments until the hearing.

25 CHAIR DANNER: Okay. And the hearing is

1 scheduled right now for November 4?

2 ATTORNEY JOHANSON-KUBIN: 4th and 5th.

3 CHAIR DANNER: 4th and 5th. So the deadline,  
4 then, for comments would be the close of business  
5 November 5.

6 And then the exhibit will be filed on  
7 November 19; is that correct?

8 ATTORNEY JOHANSON-KUBIN: Yes, the 19th.

9 CHAIR DANNER: That's your proposal.

10 All right. Let me turn to my colleagues.  
11 You've heard public counsel's proposal. It works for me  
12 if it works for you.

13 COMMISSIONER DOUMIT: Works here. Thank you.

14 COMMISSIONER RENDAHL: Yes, that's just fine.  
15 Thank you, Chair Danner.

16 CHAIR DANNER: All right.

17 Okay. Jessica Johanson-Kubin, you have your  
18 dates, then. We will go with those. I appreciate it.

19 ATTORNEY JOHANSON-KUBIN: Thank you.

20 CHAIR DANNER: Is there anything else to come  
21 before the commission this evening?

22 All right. Hearing nothing, thank you,  
23 everyone, for your participation tonight, and we are  
24 adjourned.

25 (Proceedings concluded at 6:24 p.m.)

C E R T I F I C A T E

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STATE OF WASHINGTON )  
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COUNTY OF KING )

I, Elizabeth Patterson Harvey, a Certified Court Reporter and Registered Professional Reporter within and for the State of Washington, do hereby certify under penalty of perjury that the foregoing legal recordings were transcribed under my direction; that I received the electronic recording in the proprietary format; that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially interested in its outcome.

IN WITNESS WHEREOF, I have hereunto set my hand this 24th day of October, 2024.

*Elizabeth Patterson Harvey*



Elizabeth Patterson Harvey, CCR 2731