

Aug 29, 2013

Utilities and Transportation Commission (UTC) WA

Dear (UTC),

I am very disappointed that Puget Sound Energy is planning to continue financing its dirty, dangerous, and increasingly expensive coal plant for another 20 years.

There are cleaner, safer, and less risky alternatives. PSE's plant may require hundreds of millions of dollars to clean up its dirty air, water, and mining waste, and now is the time for PSE to be honest about the true cost of keeping a dying coal plant on life support.

PSE has not accounted for the true cost of burning coal; from carbon pollution to leaky coal ash ponds, PSE has left off coal's big liabilities from the cost-benefit equation. Here are some of the main concerns with PSE's 2013 Integrated Resource Plan (UE-120767):

No price or regulation on carbon for the next 20 years. Although there is currently no carbon cap or tax in Washington, federal or state action is anticipated in the near future, and is almost certain to occur with the next two decades. As President Obama noted a recent speech about climate disruption and carbon pollution: "We limit toxic chemicals in our air and water, but power plants can dump unlimited amounts of carbon pollution into the air for free. That's not right, that's not safe, and it needs to stop." No inclusion of costs for federal designation of coal ash as a hazardous substance. PSE acknowledged previously that the pending Coal Combustion Residual rules could result in up to \$125 million in annual costs for disposal of hazardous coal ash. PSE has already paid \$25 million in a settlement for contaminated groundwater. PSE is currently facing two state-based legal challenges on coal ash and the contamination continues.

No consideration of potential SO₂ non-attainment costs and underestimation of other air quality liabilities such as compliance with federal haze rules and new federal air toxics rules.

No accounting for anticipated increasing coal mining costs. Much of the coal remaining onsite after 40 years of mining is increasingly hard to obtain, and will require additional costs.

PSE's planning process lacks transparency. PSE has refused to fully disclose its modeling data or analyses, making it impossible for the public to verify or refute PSE's methodology. In some cases PSE has not justified why its costs assumptions for Colstrip are different from costs documented by the plant's other owners.

PSE's conclusion that Colstrip is "economic" is overly simplistic and misleading. Several of the scenarios that PSE ran showed that continuing to operate Colstrip for the next 20 years is in many cases more expensive than transitioning to other, clean generation alternatives.

This is not where we want our next energy dollars spent. I urge the commission to critically evaluate PSE's long range plan and have them incorporate the true cost of coal.

Sincerely,

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