Washington is at an energy crossroads. If we only build more natural gas plants to meet future increases in our energy demand, but do not improve our energy efficiency and diversify our energy sources, we will continue to leave ourselves vulnerable to energy shortages and massive price increases.

Only 2% of our energy was produced from clean renewable sources like wind and solar power. Moreover, from 1993 utilities in Washington cut their investments in energy efficiency programs by 75%.

In 2001, however, a combination of events exposed the cracks in the foundation of Washington's energy supply:

1. Energy Shortages in California - Normally, we buy electricity from California during our winters when we need more power and sell them electricity during our mild summers, but because of the massive energy problems in California in 2001 we were not able to import power. In fact, the federal government ordered Washington to sell power to California regardless of our energy shortages.

2. Lack of Rain in the Northwest - We would normally make up the power shortfall with an increase in hydroelectric power by running more water through our dams, but that year we were in the midst of a drought that left water levels at record lows so we couldn't make up the deficit with hydroelectric power.

As a result, Washington utilities did not have the capacity to generate enough power to meet the needs of citizens and businesses, so they had to buy power on the open market. Unfortunately, spot prices on the open market increased dramatically because many states in the west and northwest (especially California) experienced energy shortages and had to buy energy on the open market. For instance, most utilities could produce electricity for $20-$50 per megawatt hour, but prices on the open market were as high as $750 per megawatt hour.

As utilities bought more power on the open market instead of producing it themselves, they passed the higher costs on to their customers. As a result, many citizens and businesses saw their electricity bills double, triple and even quadruple. And today, 2 years after the crisis, we continue to pay high electricity bills as utilities continue to pay down the debt they accumulated in 2001 and as natural gas prices continue to increase.

Unfortunately, utilities haven't learned their lesson, and they are planning to meet our increasing energy demands by building several natural gas plants. If we have another drought and natural gas prices continue to skyrocket (and many studies predict they will), we will be just as vulnerable to another massive energy crisis as we were in 2001.

We can avoid another energy crisis, improve our economy, and reduce pollution by generating more power from renewable sources and increasing investments in energy efficiency technologies. According to a study from the WashPIRG Foundation, meeting Washington's future energy demand through wind energy and energy efficiency instead of natural gas would generate approximately $474 million for Washington's economy in the next 20 years compared to $192 million if we just build natural gas plants. Furthermore, clean, renewable energy sources like wind, solar and geothermal power do not pollute our air or our water and will never run out, unlike coal, natural gas and other fossil fuels. And renewable resources – unlike oil and natural gas - are not subject to price spikes and supply interruptions.

Please require Puget Sound Electric to support an Energy Portfolio Standard.

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