

0052

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION)
))
))
Complainant.)
))
V.) DOCKET NO. UE-111190
))
PACIFICORP D/B/A PACIFIC)
POWER & LIGHT COMPANY)
))
Respondent.)

PUBLIC COMMENT HEARING - VOL. III

Pages 52-102

CHAIRMAN JEFF GOLTZ

12:00 p.m.

January 25, 2012

Yakima City Council Chambers
129 North 2nd Street, Yakima, Washington

REPORTED BY: Patricia E. Bute, CSR
Buell Realtime Reporting, LLC
1411 Fourth Avenue
Suite 820
Seattle, Washington 98101
206.287.9066 | Seattle
360.534.9066 | Olympia
800.846.6989 | National
www.buellrealtime.com

0053

1

APPEARANCES:

2

3

SIMON J. FFITCH, ESQ.
Office of Public Counsel
Attorney General's Office
800 5th Avenue
Suite 2000
Seattle, WA 98104-3188
(206) 464-7744
simonf@atg.wa.gov

4

5

6

7

8

9

CLARK SATRE
Regional Community Manager
Pacific Power
825 NE Multnomah
Portland, OR 97232
(509) 575-3190

10

11

12

13

14

15

16

17

18

COMMISSIONERS: Chairman Jeff Goltz,

19

Commissioner Patrick Oshie, and Commissioner Philip

20

Jones.

21

22

23

24

25

0054

1 P R O C E E D I N G S

2 CHAIRMAN GOLTZ: Good afternoon. I'll
3 call this meeting of the Washington Utilities and
4 Transportation Commission to order.

5 My name is Jeff Goltz. I'm chairman of the
6 Commission. To my left is Commissioner Pat Oshie and to
7 my right is County Commissioner Phil Jones.

8 We are here today for a public comment
9 hearing in the matter involving Pacific Power & Light
10 Company and their request for an increase in rates. It
11 is in UTC Docket No. UE-111190.

12 For those of you that may wish to make
13 further comments after this hearing, on-line or by mail,
14 that docket number, it would be important for you to be
15 able to do that in our, through the UTC website.

16 Normally, we have more people here from the
17 Utilities and Transportation Commission. We had some
18 weather-related logistic difficulties yesterday. So
19 normally we have an Administrative Law Judge that
20 presides at these, and my colleagues and I just sit up
21 here and take in comments. She was unable to make it.

22 We also normally have a couple other
23 Commission staff people who are actually party,
24 representing, as parties to the case. They tried to fly
25 over this morning and that, they tried to fly over

0055

1 yesterday, the flight was cancelled, tried fly over this
2 morning, that flight was cancelled, so we're a little bit
3 shorthanded, but that will be just fine because we have a
4 court reporter here who's taking down everything.

5 Other staff people that wish to read this
6 will have the transcript available, and we also have
7 Mr. Simon ffitch of the Office of Public Counsel with the
8 Attorney General's Office, who is here.

9 I want to thank you all for coming and I want
10 to thank the City of Yakima for making the facilities
11 available for us today. And I know it's maybe
12 transportation is a little bit difficult, so we really
13 appreciate you coming out and providing input for this
14 process.

15 In the rate setting process, the legislature
16 has assigned that process, for the past 101 years, to the
17 Utilities and Transportation Commission. Starting in
18 1911, we've had authority or a predecessor has had
19 authority to set rates, and the statutory provision
20 requires that rates be fair, just, reasonable and
21 sufficient, and that's the statutory term, and so we have
22 to judge the rate request by those standards.

23 The legislature has also determined that the
24 process by which we set rates is a quasi judicial one,
25 that is to say, court-like. We aren't a court, but the

0056

1 process through the Administrative Procedures Act is like
2 a court, quasi judicial.

3 What that means is that it has to be based on
4 evidence that's placed into the record, so the utility,
5 in this case, PacifiCorp, has filed, I might say, a
6 voluminous amount of evidence. A lot of it is accounting
7 information, accounting evidence, testimony by their
8 accountants, testimony by other company officials that
9 sets forth what they believe to be the amount of revenues
10 they need in order to provide adequate, safe, reliable
11 service to their customers.

12 Other parties to the case, including
13 Mr. ffitich, who is the, represents the Office of Public
14 Counsel, a rate payer advocate, files a response to that
15 and gives their position as to what is the appropriate
16 amount of revenues the company needs to provide such
17 service. A Commission staff actually acts as a separate
18 party to the case, and they also take an advocacy
19 position on what they think is the appropriate level.

20 In addition, we have several other parties to
21 the case that might have more specific concerns.

22 Frequently, we get environmental groups, if there's
23 environment issues; we get low-income advocates, if
24 there's issues with low income assistance, and so forth.

25 In this case, in addition to the Commission

0057

1 staff, the company and public counsel, we have a group
2 called Industrial Customers of Northwest Utilities; we
3 have a group called the Energy Project, which is
4 concerned about impact on low-income rate payers; and
5 IBEW Local 125.

6 So what we are going to do today is different
7 from the evidentiary hearing. The evidentiary hearings
8 will be held on March 6th and March 7th in Olympia, and
9 we will be hearing from a bunch of accountants, a bunch
10 of economists, a bunch of officials of the company.

11 This hearing today is to get a different
12 perspective, and I think it's fair to say, in my view at
13 least, this is always a very important perspective
14 because it is a perspective of the people that actually
15 have to pay the bills and it is a perspective that we
16 don't always get through the, frankly, accountants don't
17 always give us, when they talk about the accounting
18 information of the company, so this has always been very
19 important, it's always been valued by us. I know it's
20 been valued by our predecessor commissioners, in past
21 years, and it gives a perspective that we don't otherwise
22 get.

23 So the process for today is we have a number
24 of people who have signed up, and we will take their
25 comments one at a time. And, normally, if it's a really

0058

1 huge crowd, we limit comments, try to limit comments to
2 three minutes, we generally find that's plenty of time.

3 I don't think we have that many people to
4 sign up today, so any three-minute clock will be fairly
5 relaxed, but still we would like to, you know, be
6 efficient and take and not waste too much of your time,
7 some of you may be here over the lunch hour.

8 So if you do have something to say and the
9 speaker before you said exactly the same thing, it's fine
10 to say, me too. It's fine, also, if you think of
11 something extra to say, something more elaborate, and if
12 you have it in writing, you can write it, sent it to us,
13 if you want to put it a writing, either a comment, send
14 the Commission by mail or you can do it on-line.

15 And Mr. ffitch has a handout there that has
16 the website where you can, comments@utc.wa.gov, although
17 I'm a little confused. There's another piece of paper
18 that said comment, singular, @utc.wa.gov. So if you have
19 trouble with one of those, just try the other and we will
20 certainly get the comments.

21 So any other comments from my colleagues
22 before we start?

23 I would like to let Mr. ffitch introduce
24 himself first.

25 MR. FFITCH: Thank you.

0059

1 Good afternoon, Chairman and Commissioners.
2 My name is Simon ffitch. I'm appearing on behalf of the
3 Office of Public Counsel, and as commissioners, you are
4 aware, our office represents the rate payers of Pacific
5 Power & Light in this case.

6 We have prepared a handout regarding what our
7 office is doing in the case. It's the green colored one
8 that you pick up on the table outside. I will be
9 available after the hearing to meet with anybody who
10 would like to discuss the case and can discuss what our
11 analysis of the company's request is.

12 Thank you, Your Honor.

13 CHAIRMAN GOLTZ: We also have someone
14 here from PacifiCorp, so if that gentleman would stand up
15 and identify yourself.

16 MR. SATRE: Yes, thank you,
17 Commissioners. My name is Clark Satre, I'm the regional
18 manager for Pacific Power here in Yakima. I have a few
19 of my colleagues here with me today. We're just here to
20 listen. We want to thank you for coming and want to
21 thank all of our customers for being here, and we're just
22 here to listen and will remain afterwards if there are
23 any issues that we need to address. Thank you.

24 CHAIRMAN GOLTZ: Thank you very much.

25 Now Mr. ffitch is here. We have Mr. Cuchi,

0060

1 who is with, Roger Cuchi, raise your hand. He's with our
2 Public Involvement Consumer Affairs staff at the
3 Commission, and we have representatives from PacifiCorp
4 here.

5 If you have individual questions about your
6 bill, about your service, you can talk with one of them,
7 and if you aren't getting satisfaction from the company,
8 you can talk to Mr. Cuchi because that's part of what we
9 do at the Commission, is sometimes work as a go-between
10 between the customer and the utility.

11 Now this is, as I said, part of our hearing
12 process, this is going to be evidence that we will
13 consider in the hearing. So we will be asking you, in a
14 minute, those of you that wish to provide testimony, to
15 stand up, raise your hand, and take an oath that I will
16 administer.

17 It won't be quite as elaborate that you see
18 as the oath that you see on Law and Order, but it will be
19 an oath, nevertheless, designed to impress upon you that
20 it's important, it's designed for everyone to tell the
21 truth, give facts as you know them.

22 Mr. ffitch, I might also point out, so I
23 don't have to go over it, Mr. ffitch, in his handout,
24 kind of gives a summary of what the company has asked for
25 on the front page, in the upper left-hand corner, of

0061

1 their 4.3 percent rate increase. You can refer to that.
2 If you look also at the lower right-hand corner, there is
3 the recommendation that the Commission staff has made,
4 which is instead of a 4.3 percent increase, a 1.1 percent
5 increase.

6 We aren't limited to picking one of those
7 two. It could be neither of those, it could be something
8 in between, it could be something completely different,
9 as the evidence that we receive at the hearings will
10 inform us.

11 So with that, we have a number of people who
12 have signed up, and even if you think you might want to
13 give some statements today, could you stand up and raise
14 your hand.

15 (Speakers were sworn.)

16 CHAIRMAN GOLTZ: Thank you. You may be
17 seated.

18 We will call the, I will call them in the
19 order they signed up, and Mr. Cuchi is bringing up
20 another sign-up sheet, and that's fine. And remember we
21 have a court reporter, so speak slowly, clearly, so the
22 court reporter can get it down, and if you go too fast,
23 either the court reporter will say stop or I will ask you
24 to slow down.

25 Also, if you could, state your name, whether

0062

1 or not you are a PacifiCorp customer, and whether the,
2 whether you live in Yakima or some other place, and
3 whether or not you're giving comments on behalf of
4 yourself or on behalf of an organization, such as a
5 neighborhood group, an employer or something like that.

6 So with that, we'll start with -- and spell
7 your last name, too, because some of them aren't
8 necessarily evidenced by the pronunciation, although
9 these seem like more standard names here.

10 So we can start with Mr. Sam Woods.

11 MR. WOODS: Yes, my name is Sam Woods, I
12 am a Pacific Power customer. I live in Moxee, and part
13 of my statement is about you folks on the Commission
14 here.

15 Last time I was in front of the Commission,
16 you folks were trying to, Pacific Power was trying to get
17 a 12 percent increase. There was a whole lot of people
18 that spoke, because it was over at the college and it was
19 held in the evening to where a lot of people could
20 attend, instead of today, at noon, here where a lot of
21 people who work cannot attend due to their jobs.

22 A lot of people spoke and they was against
23 it. Yes, there were people for it, they were from the
24 Utilities Commission or from the utilities company. They
25 got their increase.

0063

1 Why would this time be any different in
2 regards to if the same amount of people said, no, why
3 would you folks override what the people say and vote for
4 it? To me, you're not listening to the people, you're
5 listening to the company, and it makes no sense to me.
6 Maybe you can explain that to me, please.

7 CHAIRMAN GOLTZ: Well, I should have
8 mentioned it. We are here to receive evidence and
9 testimony; we aren't here to engage in debate.

10 MR. WOODS: Okay.

11 CHAIRMAN GOLTZ: Your point on the timing
12 of the hearing is a good one, and that's one that we have
13 considered and taken seriously.

14 Last time we had one hearing, if I recall,
15 and it was in Yakima, in the evening. This time we had
16 two hearings -- one last night in Walla Walla and one
17 today in, here in Yakima. And the intent was to maximize
18 the number of people we could get, but do it efficiently
19 so we aren't out on the road for more than, more time
20 than we absolutely need to.

21 So next time it would probably be, you know,
22 an evening hearing in Yakima. And we try to, in some
23 territories, like this service territory, we rotate the
24 hearings around to various cities because we can't cover
25 every city every time; same with Puget Sound Energy

0064

1 Hearings.

2 Next week we're doing two hearings in a
3 couple weeks -- one in Olympia and one in Bellevue -- for
4 example, for this Puget Sound Energy Rate case, so I'm,
5 you know, but you make a good point. It would be better
6 if we had multiple hearings in multiple cities, but our
7 resources just don't allow us to do that.

8 MR. WOODS: Okay, the other thing this,
9 people are barely scraping by. The company wants to give
10 a rate increase. How the heck, if a person is scraping
11 by, especially the senior citizens and the people on
12 Social Security or disability, they can't make the
13 payments, but yet they're above the amount that is
14 allowed for them to get a reduced rate. It makes no
15 sense to me.

16 Wasn't the condit hydroelectric dams removed
17 for environmental reasons due to the Salmon run? And
18 that, if you look at your paper here that was sent out,
19 they're saying that that is one of the reasons why
20 they're requesting the rate increase, is because of that
21 dam, the amount of power that they lost due to that dam
22 being torn down.

23 Now if I am correct in regards to the
24 environmental reasons, it's going to be up to the
25 taxpayer or the people that use electric power to pay, to

0065

1 compensate the difference for it. We're tired of being
2 the whipping boys.

3 The other thing is that, how can the basic
4 charge, which is on the paper here, cover the meter
5 readings when the people who were reading the meters,
6 they've been laid off, and now they have one person that
7 can read the meters electronically within about a
8 three-block radius, why are we still paying for those,
9 which is highlighted on this thing here.

10 It says the basic charge covers the cost of
11 services, including the cost of meters, service jobs,
12 meter reading and billing for residential customers. The
13 thing is, there is no meter readers, one person is taking
14 the place of about ten or fifteen readers. That doesn't
15 make any sense.

16 And the meter readers, about 25 percent of
17 the meter readers that they did install were faulty, they
18 had to go back and be replaced. Are we going to get
19 charged for those also? To me, it doesn't make any
20 sense. This rate increase, as you can probably guess,
21 I'm just against it.

22 And the information that I've been given,
23 which is mailed out to about everybody who gets a bill,
24 they were all in English, even though the Hispanic
25 population in Yakima County or Yakima area is, I would

0066

1 say about 30 percent Hispanic, and I would say about 30
2 percent of those don't understand English. So how is
3 that affecting everybody? How can everybody voice an
4 opinion when this is in English?

5 CHAIRMAN GOLTZ: Thank you. I have one
6 question. So was your meter replaced then? You said 25
7 percent of the meters were faulty.

8 MR. WOODS: No, it was advertised on KIMA
9 that they, that people were getting outlandishly high
10 bills, about \$300, \$400, where before there's was only
11 about \$150 to \$200, and they had the electric company go
12 out and they had to replace them because they were
13 defective.

14 CHAIRMAN GOLTZ: Okay, I might just add
15 that, you know, I feel certainly one of the advantages of
16 these public hearings taking place in advance of the
17 evidence hearing is that it gives ideas for us, when the
18 company witnesses are presenting their cases, to ask
19 questions, and I will ask them about the English only.

20 MR. WOODS: Thank you.

21 CHAIRMAN GOLTZ: Mr. Jessie Torres.

22 MR. TORRES: My name is Jessie Torres, I
23 live in Yakima. I'm a customer, and I have a couple of
24 comments.

25 I've been somewhat involved with the last

0067

1 couple of hearings. I also attended the one at Yakima
2 Valley College. It was a great turn-out.

3 I want to reiterate a little bit of what Sam
4 said there. I think it's important to keep this open to
5 as many people as possible who are customers. That means
6 after 5, after the work schedule of a lot of people, so
7 that at least they will show like we're valued customers,
8 and that's the problem.

9 We feel we're not valued. We feel that we're
10 trying to bail out everybody. We're tired of taxes,
11 fees, surcharges, and enough is enough.

12 Yakima County is considered one of the
13 depressed counties in the state of Washington, 12 percent
14 unemployment, and those are just people who qualify for
15 unemployment. The people that don't qualify, a lot other
16 people, at 12 just the tip-of-the-iceberg, we're looking
17 at 24, 30 percent probably -- disadvantaged, low-income.

18 Well, in my case, I'm not either, but the
19 thing is this. When I'm middle class, lower middle
20 class, and I'm sinking, these bills are going higher and
21 higher and higher, and you take a look at that.

22 I was provided a regular, regulated utility
23 rate history sheet from UTC and it shows me that Pacific
24 Power went to the trough, to the commissioners, eleven
25 times over, since 2000, since the year 2000 up to now.

0068

1 This is the twelfth time.

2 That's a bit much, and how many of us, since
3 2008, have had a 27.4 percent increase in wages? Not me.
4 I don't think anybody else here. I mean, we're being
5 drowned, we're drowning, okay.

6 Raising prices of gasoline, talking about \$4,
7 \$4 a gallon. Electricity rates and other energy products
8 can only cause more hardship for families and people on
9 fixed incomes.

10 The consumer always pays, resulting in people
11 trying to meet basic needs. Raising prices on any energy
12 products, such as electricity is inflationary on all
13 goods and services. It causes unemployment. Believe it.
14 Pacific Power Corporation sells a product essential to
15 the customer to market or advertise for public relation
16 reasons.

17 I believe is a waste of corporate money.
18 I've seen the advertisements on television there about
19 let's keep the answers on. Well, the best way you can
20 keep the answers on is to keep my lights on. Yeah, do
21 away with that advertising, save me some money.

22 And the thing is, bottom line is this. I see
23 this as Pacific Power is another corporate bail out by
24 bureaucrats on the backs of taxpayers and consumers
25 because of the greed. That's it.

0069

1 CHAIRMAN GOLTZ: Thank you very much,
2 Mr. Torres.

3 Before I call the next person, I'm, because
4 some people may be here just on their lunch hour, is
5 there anybody that here that has to leave quickly, like
6 before 1, they can jump ahead of the line.

7 Sir, why don't you go ahead. State your name
8 so I can check you off the list.

9 MR. BISHOF: I'm Ken Bishof from Selah,
10 Washington.

11 CHAIRMAN GOLTZ: I'm sorry, your name
12 was?

13 MR. BISHOF: I'm sorry?

14 CHAIRMAN GOLTZ: Your name again was?

15 MR. BISHOF: Ken Bishof.

16 I was, tried to look up on the Internet, for
17 quite awhile, the elusive rates that Pacific Power has
18 requested since the year 2001, and I am glad you said
19 twelve times because I came up with thirteen, so I'm in
20 the zone.

21 I could tell you in Oregon, because they have
22 a graph and they've got the exact percentage by year, but
23 that cannot be found in the state of Washington. I went
24 through probably 50 pages, trying to find something that
25 would be simple, and I can tell you that I finally had to

0070

1 come down to thirteen times that they've requested.

2 And it's, I'm going to say that my power
3 bill, in 2005, was \$138 a month, and I have all electric
4 on a 2,600-square foot home, and that was in the height
5 of the winter months. My power bill, I just paid it, was
6 \$344.02, and I haven't changed a thing.

7 In fact, I have cut down, I've reduced the
8 thermostat from 71 percent to 67 percent and trying to
9 use the fireplace and the heatilator when I can.

10 I'm on a fixed income. As close as I can
11 tell, that jump cost me 41 percent, and I've had, in ten
12 years, through two retirement systems -- and I'm probably
13 one of the more fortunate in the retirement systems
14 because I have a good Social Security and a reasonable
15 other secondary retirement, but I'm telling you, my wife
16 went back to work because we, this other gentleman listed
17 several -- well, I really ache and feel for those who
18 have half or a third of less than what I make.

19 If we can't handle it, if we're cutting back,
20 I see a trend that's happened, and this is just pure
21 negotiations. I mean, it's common sense. Pacific Power
22 asks for double of what they reasonably expect to get,
23 and I kind of see this trend throughout what the
24 utilities and transportation capitulates to.

25 Oregon's was 39 percent over the same period

0071

1 that I say I got a 41 percent increase. I don't know how
2 we are expected to survive when we're being put out of
3 our homes. When we're having to cut back, and this
4 gentleman was wise enough to say, you know, started
5 listing off just a few of them.

6 And he didn't mention the downsizing of
7 products that you find in stores with an increase in
8 price, so we've got an expediential curve going down and
9 yet we've got an expediential curve going up in terms of
10 rate increases, and yet the government, not only
11 locally -- by local, I mean state -- but nationally say,
12 there's just no inflation.

13 I don't know what they're smoking, but nor do
14 I, I wonder what their common sense is, but there has to
15 be some changes, and I pray that you do not allow Pacific
16 Power any of these rate increases. Thank you very much.

17 CHAIRMAN GOLTZ: Thank you very much,
18 Mr. Bishof.

19 One other person that has to leave,
20 please come up. Thank you.

21 MR. HARRIS: My name is Don Harris and I
22 live here in Yakima and I agree 200 percent with all
23 these guys.

24 CHAIRMAN GOLTZ: Spell your last name?

25 MR. HARRIS: H-a-r-r-i-s.

0072

1 CHAIRMAN GOLTZ: Sure.

2 MR. HARRIS: My question to you gentlemen
3 is, why do they get these raises? I mean, I was, I'm
4 with this gentleman here. I put a brand new unit in,
5 plus I have a propane stove that I leave on at night, and
6 my bill was \$342, you know. My house is only 2,100
7 square foot, a brand new four-ton unit, and the rates
8 keep going up and up, and my question to you guys is,
9 why.

10 I know a couple of guys that work for them,
11 they get big bonuses and they get big raises and stuff,
12 that's not a good enough reason. You know, if I called,
13 I asked one of the gentleman out here, one of you guys, I
14 have two power lines that go through my property out
15 where we live on Slaven Road. We have Benton Rural and
16 we have Pacific Power.

17 I called Benton Rural, they are 32 percent
18 less than Pacific Power, and I asked the general manager,
19 can you hook me up? And he says, if you get an okay from
20 Pacific Power, yes. All my neighbors want to do it, and
21 the two lines run side by side, they're not 30 feet
22 apart, but he tells me that, I'm asking the question to
23 you guys.

24 Can you change, you know, because it's 32
25 percent difference. And they're no different, they're no

0073

1 better than Pacific Power. To me, they slide by at the
2 state here, all the trucks that come out here, they have
3 an Oregon license plate, so the state loses money there,
4 and on top of that, they're getting all these high
5 raises.

6 If anything, there should be a 30 percent
7 deduction because they have no reason, they have no
8 reason for it. Just like they said, advertising, these
9 guys are getting big bonuses. I have two guys I know
10 that work for them and they've got big raises in the last
11 five years, you know \$2,000, \$3,000 a year. That's off
12 the back of us, and I'm on a fixed income.

13 You know, I'm retired and I'm on a fixed
14 income. And I'm not as good as these guys, I don't have
15 a second, I just have Social Security, so it's hard for
16 me. Luckily, I own my house. So my question to you guys
17 is, I think there ought to be a deduction. I think you
18 guys maybe deduct 15 percent and get them back in the
19 ballpark because this is going to keep going. I mean,
20 it's ridiculous. Thank you for your time.

21 CHAIRMAN GOLTZ: Thank you very much.

22 Anyone else who has to leave promptly?

23 Otherwise, we'll go back to the top.

24 Is it Ken Bloomer? Please.

25 MR. BLOOMER: I'm a Pacific customer and

0074

1 I live in Yakima.

2 CHAIRMAN GOLTZ: State and spell your
3 last name, please.

4 MR. BLOOMER: My name is Kim Bloomer,
5 B-l-o-o-m-e-r.

6 And like so many of the other people that are
7 here and have spoke before me, I'm on a fixed income
8 also. My power bill is out of sight.

9 I could go through facts. I had a lot of
10 paperwork I was bringing in, but the gentleman in front
11 of me already spoke about everything, and I don't want to
12 waste your time.

13 My only question is, why you can't keep
14 them -- we have to, we're on a set income, we can only
15 spend so much money or we go in the hole.

16 Why can't they? Every year they get an
17 increase. Like the rest of us, we don't get them. Where
18 does it stop?

19 If they raise their power four percent, the
20 guy I buy my bread from is going to raise his because
21 he's going to pass that onto me, so it's a never-ending
22 train, except I'm on the caboose, along with a lot of
23 these other people, and we can't afford it.

24 Maybe we should put it on the docket to vote
25 on it, you know, what we should, you know, everybody in

0075

1 the state of Washington should vote on, should we get
2 that raise, and have them explain why.

3 I don't care what California is making, I
4 live here. The dam is over there. There's no reason to
5 keep jacking my power up. Thank you.

6 CHAIRMAN GOLTZ: Thank you very much.
7 Robert Calvert.

8 MR. CALBERT: My name is Robert Calvert,
9 C-a-l-v-e-r-t, I'm a consumer and I'm representing
10 myself.

11 I have a couple, I know I'm not supposed to
12 ask questions, but I have a couple just so I can learn
13 something, okay. Number one, the group I see in front of
14 me, is that, is this the Commission itself that will --

15 CHAIRMAN GOLTZ: Yes, the three of us
16 will hear the evidence and we will then decide what,
17 after presentations from the rate payer, Mr. ffitich,
18 Commission staff, the company, and other parties I
19 mentioned.

20 MR. CALVERT: Like I say I'm just trying
21 to learn. Also I guess my second question is, who,
22 private, one of you a private person that is sitting on
23 this board that -- who do you work for?

24 CHAIRMAN GOLTZ: Well, we work for, well,
25 I'll answer this question, but I don't want to get into a

0076

1 dialog because there's people here that need to give --

2 MR. CALVERT: I don't mean it in a bad
3 way, I just wanted to know.

4 CHAIRMAN GOLTZ: No, we are all appointed
5 by the Governor, and the Washington State legislature
6 must confirm us for a position. It's a six-year term,
7 and we all come from varied backgrounds, and no more than
8 two of us can be from one political party.

9 MR. CALVERT: That was another -- just
10 trying to learn here. You don't have to answer this
11 question, but it's part of what I wanted to say. What
12 was the profit of the company last year? You don't have
13 to answer.

14 CHAIRMAN GOLTZ: Mr. ffitch may know that
15 afterwards.

16 MR. CALVERT: But my question would be,
17 what was the profit, because I'm sure you're not working
18 on a deficit like some of us are.

19 Also, it said here in the newspaper, this is
20 the fifth increase since 2007, excuse me, and they're
21 asking 4.3, the Commission said I believe 1.1.

22 CHAIRMAN GOLTZ: That was the Commission
23 staff, you understand.

24 MR. CALVERT: Okay, Commission staff, 1.1
25 but it all seems to me, every time that I've watched

0077

1 this, with concern recently, is that it always seems like
2 there is a raise, number one; and, number two, it always
3 seems to like split the difference between 1.3 and 1.1.

4 I kind of agree with some of the gentlemen
5 earlier, how about zero? It would be very nice, I mean,
6 I can go along with, you know, a bill for my house, I've
7 got two 20-horse pumps, I pay 800 bucks for not even
8 running them for maintenance or whatever, and the cost is
9 eating me up.

10 I realize the Yakima paper said farmers are
11 making a lot of money, but not everybody is, so I would
12 like to be one of those others by the way. Also, I just
13 hope that, and I don't know if you can do that, I would
14 just like to see nothing, zero, for one time, give us a
15 little break, and I appreciate your time. Thank you.

16 CHAIRMAN GOLTZ: Thank you very much,
17 Mr. Calvert.

18 Mr. Steven George.

19 MR. GEORGE: Good afternoon. My name is
20 Steve George, last name is G-e-o-r-g-e. I live in the
21 Moxee area and I am a Pacific Power customer.

22 I'm here today on behalf of the Yakima County
23 Farm Bureau, as I am president of that organization. I
24 have written testimony that I would like to read.

25 The Yakima County Farm Bureau represents over

0078

1 3,000 Yakima County members on agricultural-related
2 issues in Yakima and Klickitat Counties, with the
3 majority of members located in Yakima County. The Farm
4 Bureau is a voluntary, grass roots advocacy organization
5 representing the social and economic interests of farm
6 and ranch families at the local, state, and national
7 levels. Yakima County produces over a billion dollars in
8 agricultural products annually and is one of the most
9 diversified agricultural producing counties in the
10 country.

11 Thank you for the opportunity to provide
12 input on this very important issue. Agriculture is like
13 any business, it has its ups and downs, and,
14 unfortunately, it seems like there are more down times
15 than up. We are currently in a financial situation where
16 agriculture continues to be a positive economic driver
17 for our state and national economy.

18 We know that this situation will not last
19 forever, as forces beyond our control will affect our
20 markets. Farmers and ranchers are price takers, not
21 price setters. Agriculture is input depend, relying on
22 vast amounts of resources and those who supply them to
23 produce and market crops.

24 This trickle down effect is likely why a
25 strong agricultural sector stimulates local economies so

0079

1 well. Everything from currency exchange rates to the
2 price of oil to the mandatory minimum wage increases
3 affect the ability of agriculture to stay viable.

4 The reason we are here today is to comment on
5 another proposed rate increase for Pacific Power.
6 Pacific Power has received at least four rate increases
7 since 2007, and now I'm finding out many more since 2000,
8 making it almost one per year since 2000 and, of course,
9 the last one implemented just this past year was 12
10 percent, which we all have heard.

11 While Pacific Power would like to promote
12 that these increases are minuscule for an individual
13 homeowner, they are serious money for the ag sector that
14 purchases power to run farm equipment, irrigation,
15 harvest, and food processing.

16 Keeping agriculture viable is paramount to
17 keeping our economy from slumping back into a recession.
18 It seems odd to us that the rate increase is being
19 proposed in that just this past year there was a surplus
20 of power with tax subsidized wind machines being forced
21 to shut down because the power they generate could not be
22 used.

23 At that time, we were told that some
24 electricity was even being given away so that it could be
25 used up. It also seems odd to us that as taxpayers we

0080

1 paid for subsidizing the wind turbines which helped to
2 produce an abundance of electrical power and are now
3 being asked to endure another rate increase from Pacific
4 Power.

5 It just doesn't add up be. I'll say that
6 again, it just doesn't add up. Either Pacific Power is
7 not operating efficiently or they're asking for a return
8 on their investment is in excess of what they should
9 receive.

10 In summary, we do not support any rate
11 increase from Pacific Power at this time. With at least
12 four increases and more than that in the past several
13 years, and the one that they just got last year, it's
14 time for Pacific Power to make due with what they have.

15 And I would even go further to state that
16 some of the other testimony made sense to me, maybe even
17 a roll back, because it appears that they're charging
18 much more than what other competitive power companies
19 are. Thank you for the opportunity to provide input.

20 CHAIRMAN GOLTZ: Thank you, Mr. George.

21 Mr. John Klingele.

22 MR. KLINGELE: John Klingele,
23 K-l-i-n-g-e-l-e, and I am still a Pacific Power customer
24 here in Yakima.

25 I'm going to be taking this a whole different

0081

1 direction from what you've seen before, as you probably
2 guess, because one of the things that bothers me about
3 Pacific Power is their lack of maintenance on their
4 system.

5 And in a document of yours from 091785, you
6 got a letter from Pacific with regard to the major power
7 outage throughout their system, 48 of their feeders,
8 which is half, were affected.

9 The letter states, because there was a lot of
10 pole fires, that pole fires happen when pollution, dust
11 and deposits exist on insulators and you have light
12 misting rain or fog or other high humidity conditions
13 cause leakage across, between the various conductors.

14 The reason for that is pretty simple. A lot
15 of their systems still has the old wood pins on their
16 insulators, and one of the common failure rates is that
17 those pins drop, and so the insulator sits directly on
18 the pole, because the top of the insulator is not its
19 basic part for insulation but the underside is what does
20 the insulation for the electricity.

21 So it then is easy for that to cross. There
22 are many hundreds of those and the wood insulators date
23 back more than 50 years, so they've seen lots of time on
24 those poles, in excessive of 20,000 days.

25 So it's time for them to start looking at

0082

1 those dropped insulators because those are going to be
2 where the pole fires exist in the future. Now the wooden
3 insulators aren't the old ones because, for instance,
4 just two blocks due east of here is one that's like this,
5 a steel one, that has dropped onto the pole. So it's not
6 as common on the steel ones but wood ones it's very
7 common.

8 That's one place I would like to see Pacific
9 do considerable work at maintenance. It's not that
10 expensive, it just has to get out and get done.

11 One of the other places that utilities try to
12 economize is in putting in equipment that isn't quite
13 strong enough for the load. When you hear about high
14 temperatures in California, for instance, you'll hear
15 about exploding transformers. And what the company there
16 does is they see a section of load, and though it may
17 take a 37 KGA transformer to serve that and only be
18 overloaded occasionally, they'll put in a 25 KGA so it's
19 overloaded much of the time, expecting the heat generated
20 from the overload to dissipate at high.

21 But when you have high night temperatures,
22 that doesn't happen so you have boiling oil in
23 transformers, hence, explosions. And so that's one of
24 the things I want to make sure that Pacific Power doesn't
25 start doing to try to economize on their system because

0083

1 that will be a disservice to the customers, both
2 presently and in the future.

3 Maintaining a good system means we'll have
4 fewer power outages, and this one affected 11,000
5 customers. So I would encourage Mr. ffitch and such to
6 make sure that, as part of rate design, that there is
7 money for maintenance. Thank you.

8 CHAIRMAN GOLTZ: Thank you very much.

9 Ms. Sharon Bays.

10 MS. BAYS: My name I'm Sharon Bays and I
11 live on 48th Avenue and I wrote down a few things so I
12 don't take too much of our time.

13 CHAIRMAN GOLTZ: Can you pull it down a
14 little bit.

15 MS. BAYS: Right there.

16 CHAIRMAN GOLTZ: That's better.

17 MS. BAYS: I've got a few notes here, and
18 I brought every bill I ever got from PP & L since I moved
19 into my home, if anybody wants to look at it.

20 I'm a widow, I'm on a set income, but the
21 problem is my house. I have a little house, I have half
22 the space that these other gentlemen are talking about.
23 It was purchased in '03, and at that time, the basic
24 charge for the lights was \$4.50, it's now \$6.

25 And, let's see, what have I got here, the

0084

1 first 600 watts, kilowatt hours was \$26.48. It's now
2 \$36.62 cents. We have two city utility taxes, so when
3 PP & L gets their little raise or big raise, the city
4 also gets their raise.

5 Okay, after I had been there for a few years,
6 I went on their equal payment plan. In 2008, my payment
7 was \$138. Now we're talking about a two bedroom house
8 with one and a half baths, no air conditioning, and
9 ceiling heat, which was put in in '65, it still works
10 good, I've had it checked, it's not a problem.

11 So in 2009, they changed it to \$164. Then in
12 2010 it drops and it goes to \$146. And then in '11 it
13 went to \$175. This year they're telling me maybe only
14 only \$149. So equal payment has to be figured in on what
15 my light bill is.

16 In 2003, when we purchased the home, we put
17 in new windows, they had old aluminum windows we thought
18 that was going to be a big deal. In 2006, I resided it,
19 and it has double insulation now, so my bill should not
20 be going up, it should be going down.

21 I also have a question on how many jobs were
22 lost with new meters. I've never heard an exact amount
23 but I have heard that it was many. Another thing that
24 bothers me is, unlike the fellow that can get on the,
25 with Benton County, Yakima has a monopoly with PP & L, so

0085

1 we have to take whatever they give us.

2 Now I'm almost through here. Here's all of
3 my bills since I moved in, I've got some of these marked.
4 Okay, in 2004, I paid \$1,137 for the year. In 2005, I
5 spent \$214.95 more than the year before. 2006 is up to
6 an average of \$112.06 a month, total was \$1,344.

7 In 2007, I didn't write what it was down
8 there. 2008, I was paying much more than I had been
9 before. 2009, it was up to \$1,765 for the year on a two
10 bedroom house. But 2010 was \$1,757 and 2011 went to
11 \$1,817 for a little two bedroom house that is less than
12 1,200 square feet. That is ridiculous. Absolutely
13 ridiculous.

14 If we had another power company that we could
15 go to, you can bet I would be the first one to sign up
16 for it, but we don't, and every year we get a raise
17 that's it. Thank you.

18 CHAIRMAN GOLTZ: Thank you.

19 Next is Mr. Effland. Mr. Effland, you used
20 to work for the Department of Ecology, correct?

21 MR. EFFLAND: Yes, I did.

22 CHAIRMAN GOLTZ: Well, good to see you
23 again.

24 MR. EFFLAND: I'm retired, 68 years old,
25 Social Security, fixed income, PERS I retiree. And I

0086

1 lost my cola, thanks to our illustrious legislature, no
2 cola for PERS I, which is teachers, so as I say, I'm on a
3 fixed income, and I've come here today because it's
4 hurting my budget.

5 A recent notice from your patrol person
6 increase, I got a notice from Pacific Corporation that my
7 budget plan would go from \$95 a month to \$123. So I
8 called them up and they said, well, the Transportation
9 Commission approved it, okay. So it turns out I'll be
10 paying \$123 which is another \$28, yeah, another about \$35
11 a month I would pay electricity. That will hurt my food
12 bill, for one thing.

13 I am a Pacific Power customer. I am on
14 budget with the Pacific Power. It's been very nice to do
15 that. My home is all electric with a heat pump, so with
16 the budget plan, with the corporation, PacifiCorp, my
17 bill is steady year around, which is nice, you know
18 what's going to be billed until, surprise, December, this
19 new increase.

20 I also sent over the Internet to the
21 Commission my comments on the twelve percent increase.
22 With that, the twelve percent increase they got, they
23 don't deserve any this time. It's already hurt too many
24 people on fixed income, senior citizens such as myself,
25 and that's why I'm here today, is it's taking away other

0087

1 things like no bus to Olympia to see my grandkids, travel
2 less with my motor home, which is once a year now,
3 because of prices all went up, but my retirement, PERS I,
4 is going down.

5 Thank you very much, commissioners.

6 CHAIRMAN GOLTZ: Thank you very much. If
7 you can, stick around until afterwards so I can touch
8 base with you again.

9 MR. EFFLAND: What's that?

10 CHAIRMAN GOLTZ: When I was a lawyer for
11 the Department of Ecology, I remember working with you.

12 MR. EFFLAND: Yes, I remember.

13 Recognized, saw the name, yeah, I know that guy. Good to
14 see you again.

15 CHAIRMAN GOLTZ: Let's see, Alonzo
16 Marquez.

17 MR. MARQUEZ: I'm Alonzo Marquez, I live
18 in Yakima, I'm a customer.

19 CHAIRMAN GOLTZ: Your last name is

20 M-a-r --

21 A. -- q-u-e-z.

22 I lived here for 67 years, getting to be an
23 old timer. I have a few comments I want to make, but one
24 I was going to ask you a question.

25 How many of you guys make over \$100,000 a

0088

1 year, but I already know the answer. All you guys make
2 over \$100,000 a year. And it seems like government
3 employees get a raise every six months. And they're not
4 taxpayers, they're basically just living off the trough
5 that we created, taxpayers created, and we have a
6 situation now where you're going back to the trough.

7 We have -- I don't quite understand why -- we
8 have most of the people live in this county that work in
9 agriculture make less than \$17,000 a year with a family
10 of four. We've got, us seniors, I can tell you how much
11 I get. I get less than \$12,000 a year, and I got one
12 child at home, but I had three, and that's all.

13 I've gotten a raise in my Social Security, in
14 the last twelve years, I've gotten about a \$12 raise,
15 about a dollar a year but then this year, they just
16 informed me that I have to pay, I'm paying four
17 co-payments and that I'm going to have to pay another
18 copayment of \$57 a month.

19 And so I called Social Security and said, why
20 don't you just keep the raise so I won't have to pay the
21 \$57, because the raise was only \$12, and that way I won't
22 have to pay that \$57. They said, no, we have to give you
23 the raise. Of course you have to give me the raise so
24 they can take advantage of me in the other end.

25 But this is the problem, we have almost 100

0089

1 million seniors in this country, and most of them get the
2 same amount of money I get. What, and I just, seriously,
3 I don't know what's going to happen with these hundred
4 million seniors.

5 I was just informed by my doctor that I have
6 to sign affidavits now to see the doctor or else I can't
7 see him, that I'm going to be cut off of my medication.
8 I pay half my medication now, and I just shake my head.
9 So every time I see my doctor I have to sign, read a
10 bunch of forms, sign a bunch of affidavits so I can see
11 the doctor, so I can stay alive.

12 I had a stroke twelve years ago. I was
13 supposed to die twelve years ago, I'm still here, still
14 being a pain in the butt, but I'm still here. But we
15 have to stop and think what we're doing to this country.
16 Government officials have to stop to think, they're
17 getting too greedy, they're going back to the trough.

18 When you get people who work for government
19 are getting over \$100,000 and the taxpayers down here way
20 below poverty level, because poverty level is, I assume,
21 about \$38,000, they're not even reaching \$20,000, there's
22 something wrong, something wrong here.

23 And I know it's, you guys sit back, and I
24 know that every time there's a raise, you guys get a
25 raise, too, and, that's wrong. And I know that on the

0090

1 dam that you guys knocked down, the only reason you
2 knocked it down is because you were forced to put fish
3 ladders and I fished there since 1953, so I know the site
4 real well, and you guys were forced to put fish ladders
5 and you concluded that it was better not to put fish
6 ladders, just make a hole in the dam and let the water
7 pour out.

8 Now we have to pay \$5 million to knock it
9 down. In a few years, you guys are going to come back to
10 us and say, well, we've got to build a dam there, so
11 what's going to happen. Somebody has got to pay for it.
12 We have to pay for it.

13 It should have never been knocked down to
14 start out with. You should have spent a million dollars
15 to put that fish ladder up but, you know, there's been
16 this problem with the Indians and the non-Indians, the
17 decisions, and this is what's caused it.

18 You guys have fought to put fish ladders in
19 all the dams, all of your dams, and you're always coming
20 up with some kind of excuse. There's some real problems
21 with our system, a real problem with our government, and
22 I'm real familiar with our political system.

23 I was a chair of the democratic party, not
24 only in Yakima, but the fourth congressional and chair of
25 the state, and there's some real, real problems with both

0091

1 parties and people who work for government, being too
2 greedy. Thank you.

3 CHAIRMAN GOLTZ: Thank you.

4 We have listed as a maybe, Renada Pace
5 Webber.

6 MS. WEBBER: I put down a maybe. I
7 wasn't sure I wanted to talk, I'm sorry, but I did put a
8 maybe.

9 MS. WEBBER: Renada Pace Webber is my
10 name. I live up above Buena about two-and-a-half miles.

11 CHAIRMAN GOLTZ: W-e-b-b-e-r?

12 MS. WEBBER: Two "B"s, yes.

13 I'm on a fixed income, my income is similar
14 to the fellow who just sat down, and I haven't done the
15 pay the same each month, but my bill this last month was
16 \$350 about, and that's a big whack when you've got
17 medical bills and everything else.

18 The fellow that talked about their equipment,
19 I mean, I've had twice when my electricity has gone off
20 when I've been gone on a trip visiting kids, come back,
21 it's never PP & L's fault. It's like, we fixed it the
22 next day, we knew, but anyway I think there is something
23 wrong with the equipment because I've lost a lot of stuff
24 twice now. You know, come home and find out that your
25 house smells like somebody died in there because the

0092

1 things in the freezing compartment have thawed and run
2 out on the floor.

3 Anyway, that's beside the point. But I don't
4 know how we can keep doing these raises, and I haven't
5 applied for the help me with my electric bill, but I
6 think you guys need to keep it down so we don't have to
7 do that. Thank you.

8 CHAIRMAN GOLTZ: If you have questions
9 about your service, talk to the utility. And if you,
10 Mr. Cuchi just stepped out, but if you aren't getting the
11 information you need from the utility, talk to Mr. Cuchi.

12 MS. WEBBER: I think they've got it fixed
13 now, it hasn't blown up lately.

14 CHAIRMAN GOLTZ: Thank you.

15 MS. WEBBER: They'll tell you, it was a
16 bird on the wire or a something is there and then how am
17 I supposed to know that and fix it.

18 CHAIRMAN GOLTZ: Last person we have
19 signed up is Kathi Hagen.

20 MS. HAGEN: My name is Kathi Hagen, and I
21 have a couple comments to make.

22 Number one, it seems that Pacific Power is,
23 this is a capital investment -- dams, Hanford, and then
24 it's been privatized. So I saw a documentary film in
25 '97, I think, and it was retiring linemen for Pacific

0093

1 Power.

2 After 15 years of service, his retirement was
3 at \$48,000 a year. Now I'm a K-12 public school retired
4 teacher with 15 years of service. My monthly check is
5 \$760. My electric bill for 900 square feet, a
6 single-wide mobile home in a senior park, was at \$70 a
7 month in the winter months, it's now \$270. You take \$760
8 a month, subtract \$270, and I'm supposed to live on \$490
9 a month? That gives you a perspective.

10 The third point I want to make is, in my
11 observations, with the federal capital investment
12 dollars, and to generate electricity, we desperately need
13 in our country and certainly on a state level, public and
14 private interests need to be met in some sort of
15 coordinated fashion. I did own gil net boat for ten
16 years, so I understand what this gentleman is talking
17 about.

18 I do have a Ph.D. in systemic science, so I
19 understand about multiple levels of both government,
20 private, enterprise, at work, at play, and in conflict.
21 Now my pension is not overseas in Scotland safely, nor is
22 it in California because I live in Washington State.

23 Let's see, what else I wanted to say. Yeah,
24 the issues with respect to generation on the dam
25 destruction, I want to make a couple of comments.

0094

1 You kill fish by two degrees, so the
2 temperature in the water is one factor. The fish in
3 those waters is another factor. During Clinton's time,
4 that was the first systemic on a federal level, whole,
5 everybody's conversation was around the Columbia River.
6 That did have to do with energy and what came out of that
7 was a full scale discussion and really a lot of excellent
8 research to inquire more.

9 Now back to -- so our federal capital
10 investment dollars in building dams and Hanford here, and
11 then it gets privatized when it gets to the clean-up
12 time, and that protects industry, I understand. I come
13 from a family of heavy duty equipment engineers who build
14 dams and grandparents who build dams. They risked their
15 lives and some is died in it, so I mean, I understand the
16 risks about those things.

17 But when the electricity that's generated
18 right here, and we take the risk, we've got the heat, we
19 have the Hanford waste right here. It's a government
20 project, federal government project that we started, and
21 then we're not, we've privatized out those risks.

22 I've got two brother-in-laws that worked on
23 Umatilla dump site, which is Columbia River running back
24 and forth on both sides, is loaded with a whole lot of
25 hot leaking crap -- sorry, edit that -- a little bit

0095

1 about the energy.

2 And we don't, okay, so all right -- try to
3 finish this -- when we sell our electricity to California
4 and they pay dearly for it because they don't want the
5 dams and they don't want the other sort of bad things
6 that come with it, and the now privatized utility company
7 makes a huge profit, you cannot expect us ordinary
8 citizens to pay for this, so something is wrong here.

9 And the thing I don't like is that it makes
10 me think that it's the same thing that's happening with
11 the banking, with IMF on the international level, not
12 just here in the United States with what happened here,
13 hedge funds, derivatives, and everybody taking everybody
14 else's money and then taking huge gambles and then it's
15 left in our lap to pick up the pieces.

16 This is insulting to me as an ordinary
17 citizen. And I have been on -- just switching gears --
18 but still under energy, I have been on gil net boats,
19 with Native Americans were, say this, you know, had
20 corked the entire Puyallup River for five days because
21 their health care wasn't really there and in place and
22 all those fish died. We have to work together.

23 So I think partly what I want to say is we,
24 as a country, we have to get our head wrapped around the
25 larger umbrella called energy and we have to do this

0096

1 smartly. And so I hope I haven't been too meandering.

2 But I care about this country and I have
3 native background, I did sit with my mother. I am the
4 daughter of a 101st airborne combat veteran from the
5 beginning to the end, so I mean, I care about our
6 country.

7 And I can barely pay my electric bill, but
8 somehow I do have a degree of confidence -- sorry, one
9 last thing -- somehow, when our former governor got the
10 appointment to China, somehow, I thought internationally
11 maybe things will be better.

12 CHAIRMAN GOLTZ: Thank you very much.

13 So that ends the people that signed
14 originally. We still have, we had two more people that
15 came in late, who, one of whom wishes to speak and one of
16 whom indicates maybe.

17 So Ms. Rollinger and then David Marzette. Is
18 there anyone else who wishes to make a comment, besides
19 those two?

20 Okay, I'm going to ask those two, since you
21 came in late, to stand and I'll give you the oath because
22 you weren't here at that time, and this is evidence on
23 the record.

24 So if you could stand up, and Mr. Marzette,
25 too, I don't know if, you said maybe, but if you change

0097

1 your mind, you can do it if you want.

2 (Speakers were sworn.)

3 CHAIRMAN GOLTZ: Thank you.

4 So, Ms. Rollinger, you may go first.

5 MS. ROLLINGER: Hi, my name is Ruth

6 Rollinger, and I'm just another concerned citizen.

7 I also used the work for a public utility, so
8 I do have some sympathy for Pacific Power. Believe it or
9 not, I'm in the, I'm in the majority with the people I
10 think that are here that are opposed to your rate
11 increase.

12 I sympathize with Pacific Power because, what
13 I see as a public citizen, and I am fairly well educated,
14 is that the governor of this state and the legislature is
15 passing on to you folks a lot of their, a lot -- you're
16 trying to defray the costs that have been hoisted upon
17 you by a liberal tax-and-spend government here in our
18 state.

19 Okay, so I do have some sympathy that you are
20 trying to defray some of those costs and expenses, your
21 operating costs. And I understand that profit is good,
22 you need profit, but we're in a depression right now.
23 Yakima County is probably one of the lowest income
24 counties in the state.

25 People in this county -- and I speak for

0098

1 many -- I happen to be a single parent, I have my own
2 business, I'm trying to make it like everybody else. I
3 have four children, we are all on the breaking point, and
4 any additional expenses that we have to pay each month
5 deeply hurt.

6 And as you know, if you have a high income,
7 which I'm sure that each of you do, a minor expense like
8 an increase in a power bill may be like a fly landing on
9 your jacket, you don't notice it. But it is noticeable
10 to people like me, who are living on the edge each month,
11 trying to raise their kids, trying to get them a good
12 education, trying to teach them the American way.

13 And it is very difficult, so I would ask that
14 the Commission not grant this request for pay increase at
15 this time. I would ask that all of us here write to our
16 legislature, our representatives in this state, and
17 demand that they get their books in order and start
18 living within their means, like we have to.

19 Thank you very much.

20 CHAIRMAN GOLTZ: Thank you.

21 Mr. Marzette, did you wish to make any
22 comments?

23 MR. MARZETTE: Just a few.

24 CHAIRMAN GOLTZ: Okay, thank you. And,
25 also, if you can state your name and spell your name for

0099

1 the court reporter and also state whether you're a
2 PacifiCorp customer and where you live. Thank you.

3 MR. MARZETTE: My name is David Marzette,
4 last name is M-a-r-z-e-t-t-e. I live in Yakima, 1101
5 South "A" Street, which is about ten blocks away.

6 I'm a retired electrician for 32 years of
7 service. I understand the cost that the power and
8 utility companies have to go through, but also, I
9 understand, the record profits are not necessary. All
10 your company has to do is turn a profit, not a record
11 profit, just a profit.

12 Most of the people that I know in Yakima,
13 they county are on fixed incomes, they're like myself,
14 retired. This increase might not seem much to you, but
15 someone on a fixed income, raising grandkids, it's very
16 significant.

17 I understand the problems that you have.
18 I'll also question some of your methods. There are some
19 built-in problems in the grid that you're using now with
20 all the trees and overhead lines. I don't know what it
21 would cost to put it underground, or even to eliminate
22 the trees, which is not possible, but there should be a,
23 how can I say it to, there should be a medium that we can
24 reach for the majority of your customers that are private
25 citizens that are growing older.

0100

1 They're all on fixed incomes. Some of these
2 rates increases mean they go without medicine or other
3 necessities. A majority of the people that I know, they
4 heat their homes by electricity, get away from the wood
5 because they have breathing problems, my wife included,
6 chronic asthmatic, so I don't know, it's just not the way
7 that it should be.

8 I mean, we have foreign owners who take
9 bonuses and record profits. If they don't get them,
10 somebody gets fired, and there should be something to
11 check and balance that out. That's all I have to say.

12 CHAIRMAN GOLTZ: Thank you very much,
13 Marzette.

14 Is there anybody else? Okay, thank you all
15 for coming. And we will, as I said earlier, we will have
16 a formal hearing with the company and all the parties on
17 March 6th and 7th in Olympia, and those of you that
18 signed the sheets and gave your contact information, you
19 will be informed, either through mail or by e-mail, of
20 the outcome of that decision on the rate increase,
21 although I'm pretty sure you'll also be able to read it
22 in the local newspapers as well.

23 Is there anything else, Mr. ffitch?

24 MR. FFITCH: No.

25 CHAIRMAN GOLTZ: Anything else?

0101

1 COMMISSIONER JONES: No.

2 CHAIRMAN GOLTZ: Again, thank you very
3 much and appreciate your valuable input. We're
4 adjourned.

5 (The hearing concluded at 1:16 p.m.)

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

0102

1 STATE OF WASHINGTON)
2) ss.
3 COUNTY OF BENTON)

4

5 I, Patricia E. Bute, do hereby certify that at
6 the time and place heretofore mentioned in the caption of
7 the foregoing matter, I was a Certified Shorthand
8 Reporter for Washington; that at said time and place I
9 reported in stenotype all testimony adduced and
10 proceedings had in the foregoing matter; that thereafter
11 my notes were reduced to typewriting and that the
12 foregoing transcript consisting of 50 typewritten pages
13 is a true and correct transcript of all such testimony
14 adduced and proceedings had and of the whole thereof.

15 I further certify that I am herewith securely
16 sealing the said original deposition transcript and
17 promptly delivering the same to WUTC.

18 Witness my hand at Kennewick, Washington, on
19 this _____ day of February, 2012.

20

21

22

23 _____
24 Patricia E. Bute
25 CSR NO. 2919
Certified Shorthand Reporter