

To the UTC Commissioners,

As a PSE customer and concerned citizen, I strongly recommend Puget Sound Energy's request for "an increase of \$139.9 million, or 6.9%, in additional electric revenue and \$65.5 million, or 7.9%, in additional gas revenue" be denied.

In the 1940s it was decided that the best service model for electric utility customers in the Puget Sound area was to allow a single provider to monopolize the entire business geographically, and through the layers of generation, transmission, and distribution to the exclusion of any competition. One explanation is it was the best approach for promoting buildout of the electrical infrastructure. Whether that was ever a good decision is questionable. Clearly the buildout would only span a finite period. The granting of the privilege of a monopoly should not ever have been for an indefinite period. Now, at a point where public control should have been well established, PSE is flaunting its power as a monopoly to hide information that the public should own¹ and pursuing destructive, dangerous, wasteful, and unreliable projects to boost profits.

Clearly the monopoly service model and the business model behind it are very bad for utility customers today. The anti-competitive environment and lack of adequate control over PSE has led to PSE pursuing a disservice model. The Puget Sound region has one of the largest populations of the smartest engineers and scientist anywhere in the world². Contrast that with PSE, one of the most backward and incompetent electrical utilities. State of the practice alternatives to the energize eastside project are rejected by PSE for various reasons. But they all trace back to the single point that PSE is not competent in effectively implementing those sound, state of the practice alternatives. Monopoly promotes lethargy over innovation. PSE should not be rewarded for incompetence.

PSE rates should be decremented for tasks PSE is obligated to perform and claims to perform but doesn't actually perform. Customers are being bilked for services that PSE is not actually providing. One case in point the lack of safety oversight leading to the March 9, 2016 gas explosion in Greenwood. That problem festered for 12 years. 12 years of safety neglect buy PSE. Less than 4 months ago, PSE again endangered the public putting profit above safety³. Since PSE is completely opaque, independent safety oversight is desperately needed. PSE rates should be decremented to provide funding for such oversight.

The current electrical power rates are already excessive. A clear measure of this is the Energize Eastside Project. PSE has spent nearly \$70 million dollars on this project which is both extremely dangerous⁴ due to its collocation with the half century old Olympic hazardous liquid petroleum pipeline, and extremely

¹ Ref any recent IRP meeting.

² We built a vehicle that was left on the moon.

³ On October 11, 2019, PSE ruptured and set fire to their own gas line in Seattle at the 10300 block of Midvale Avenue North requiring evacuation of residents in the area. The cause was PSE's complete disregard for safety by using heavy excavation equipment rather than the more methodical approach of hand digging near the gas pipeline.

⁴ PSE's scale drawings show the steel transmission line tower, essentially lightning rods, located within approximately eight feet of the petroleum pipeline. The DNV-GL 2016 study, even with its fraudulent and dangerous assumptions, states 13 feet is the minimum safe distance.

unreliable⁵. A reduction in rates is appropriate here to extinguish this type of worthless and dangerous pursuit.

The UTC's allegiance should be to the rate payer not to a foreign owned monopoly. It is not the responsibility of the UTC to prop up a bad service model and a bad business model. Rates should be based on customer value normalized to a statewide basis. Value here means much more than the ratio of dollars per kW. PSE is the dirtiest electrical utility in the state. PSE operates one of the dirtiest generation facilities in the country. This is a choice made by PSE and is just one of the huge disservices provided by PSE. Dirty generation of power is less valuable to electrical utility customers than clean generation of power. Rates should be decremented accordingly.

Another huge disservice is PSE's siphoning of state, county, city, and citizens revenue and sending it to foreign owners. Revenues that would otherwise circulate in the local economy and generate tax revenues from a PUD, are essentially stolen out of the local economy by PSE. This is a hidden tax burden we pay as a result of the PSE foreign owned monopoly. Over the decades, this has not been simply cumulative, it is actually compounding. There's no hope of getting the lost billions of dollars back but further hemorrhaging should be properly compensated. Rates should be decremented accordingly.

PSE is predicting huge growth in power demand in a fairly concentrated corridor and declining demand in outer areas. This is the perfect environment to maximize profits. It is less expense to maintain equipment in a geographically small area which is where PSE predicts unbelievable growth demand. Less demand and lower loads led to decrease stress and wear on equipment in the outer area. Rates should be decremented accordingly.

In summary, the UTC should realign its decision process with value to the customer as the primary focus. In that context, the requested rate increase should be denied and an appropriate rate decrement should be applied.

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⁵ At the Bellevue energize eastside hearing, PSE representatives were obligated by the Bellevue hearing examiner to swear under oath that the parallel circuits in the corridor would be operated at the same voltage because of the extreme danger of unbalanced electromagnetic fields and the consequent high voltages and currents that would be induced in the petroleum pipeline. What this means is that under a single failure condition, both parallel circuits must be shut down. This also applies to shutdowns for maintenance. Therefore, what would be an N-1 condition currently becomes an N-2 condition with the energize eastside project and PSE's 'backbone' fails. Per PSE fail conditions may persist for weeks. This loss of reliability could be a regional disaster.