

**EXHIBIT NO. \_\_\_(JPH-5)**  
**DOCKET NO. UG-15\_\_\_**  
**WITNESS: JAMES P. HOGAN**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of the Petition of**

**PUGET SOUND ENERGY, INC.**

**for (i) Approval of a Special Contract for  
Liquefied Natural Gas Fuel Service with  
Totem Ocean Trailer Express, Inc. and  
(ii) a Declaratory Order Regarding the  
Methodology for Allocating Costs  
Between Regulated and Non-regulated  
Liquefied Natural Gas Services**

**DOCKET NO. UG-15\_\_\_**

**FOURTH EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED DIRECT TESTIMONY OF JAMES P. HOGAN  
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**AUGUST 11, 2015**



## City of Tacoma

Mayor Marilyn Strickland

August 2, 2013

Ms. Kimberly Harris  
Chief Executive Officer  
Puget Sound Energy  
PO Box 97034  
Bellevue, WA 98009-9734

Dear Ms. Harris:

The City of Tacoma is delighted that you are considering the Port of Tacoma as the location for a proposed Liquid Natural Gas compression facility. We have enjoyed our working relationship with Puget Sound Energy (PSE) over the years and see this possible facility as a great next step in that relationship.

PSE and the City of Tacoma have had a long partnership related to improving air quality and establishing a sustainable economy. The use of natural gas for transportation purposes is just the kind of clean, emerging fuel that the City wants to encourage. In addition, the City of Tacoma has a long tradition of supporting local businesses like PSE who have invested in our community for years.

The City of Tacoma stands ready to assist you in the development of this project. Please let me know how we can support you.

Sincerely,

A handwritten signature in black ink, appearing to read "Marilyn Strickland", written in a cursive style.

Marilyn Strickland  
Mayor



## City of Tacoma

Council Member Victoria Woodards

August 19, 2014

Ms. Clare Petrich, President  
Port of Tacoma Commission  
P.O. Box 1837  
Tacoma, WA 98401

Dear Commissioner Petrich:

### **RE: Proposed PSE Tacoma LNG Project at Port of Tacoma**

As a lifetime resident of Tacoma and current Deputy Mayor of the City of Tacoma, I wish to express my support for Puget Sound Energy's Tacoma LNG project that is proposed to be located at the Port of Tacoma. I strongly support this effort to provide a cleaner fuel alternative for maritime vessels owned by Totem Ocean Trailer Express (TOTE) and other potential local employers. My support is based on the following elements:

The City of Tacoma values projects that provide family wage jobs to our residents and contribute to a healthy economy. The Tacoma LNG project will generate important economic benefits for Tacoma and all South Sound residents. The City of Tacoma places a high priority on supporting and retaining our local businesses like TOTE. In addition to helping TOTE remain competitive and maintain hundreds of family-wage jobs, the LNG facility itself will directly or indirectly support nearly 500 jobs during its construction and support more than 120 permanent jobs during its operations.

The Tacoma LNG project will also generate additional tax revenues for the City of Tacoma, the Port, other local governments and the state, which in turn help to fund critically important public services. The City of Tacoma recognizes that local governments must respond to growing demand for services, and every opportunity for increasing our tax base with quality projects like this one should be encouraged.

In addition to these substantial economic benefits, I also find the environmental benefits of this project compelling for the people of Tacoma. LNG is a cleaner alternative to conventional fuels, such as diesel. This helps improve air quality and reduce health risks, and will help local employers like TOTE comply with new, stricter low-sulfur emission standards.

I appreciate your consideration of my position of support as you complete your review of the project. Please feel free to contact me if you have any questions or if the City of Tacoma can be of additional help during your deliberations.

Sincerely,

Victoria Woodards, Deputy Mayor



FIFE MILTON EDGEWOOD  
Chamber of Commerce

August 18, 2014

On behalf of the Fife Milton Edgewood Chamber of Commerce, we wish to express our support of Puget Sound Energy's Tacoma LNG project proposed to be located at the Port of Tacoma. We support this effort to provide a cleaner fuel alternative for maritime vessels owned by Totem Ocean Trailer Express (TOTE) and other local employers and provide a cost-effective way to maintain dependable service to all PSE natural gas customers on the coldest days of the year, when natural gas is in highest demand. Our support is based on the following elements:

The Tacoma LNG project will provide important environmental benefits for the people of Tacoma. LNG is a cleaner alternative to conventional fuels, such as diesel. Switching from diesel to LNG reduces greenhouse gas emissions by up to 30% and eliminates visible particulate emissions. This helps improve air quality and reduce health risks, and will help local employers like TOTE comply with new, and reduce health risks, and will help local employers like TOTE comply with new stricter low-sulfur emission standards. Use of LNG also virtually eliminates the potential for harmful fuel spills that could damage the waters of Commencement Bay and Puget Sound.

The Tacoma LNG project will generate important economic benefits for all South Sound residents. In addition to helping local employers like TOTE remain competitive and helping to maintain hundreds of family-wage jobs, the LNG facility itself will support nearly 500 jobs during its construction and more than 120 permanent jobs during its operations. It will also generate additional tax revenues for state and local governments, helping to fund needed public services.

The Tacoma LNG project will help ensure continued dependable service and additional benefits to all PSE natural gas customers. It will help ensure continued dependable natural gas service on the coldest days of the year. Having a stock of available LNG will also allow PSE to reduce its gas purchases at times of peak demand, reducing costs that would otherwise be passed on to consumers. Also, healthy growth of PSE's commercial customer base helps spread PSE's overhead costs across a broader customer base, lowering costs for existing natural gas customers.

The Tacoma LNG Facility will go through an extensive review and approval process with federal, state and local government agencies. Natural gas is a proven, safe source of energy that reduces reliance on foreign fuels. LNG is simply another form of the natural gas currently used in millions of homes and vehicles. PSE will develop and issue a supplemental environmental impact statement, obtain multiple permits and provide numerous opportunities for public comment. Some of the major agencies involved include: U.S. Coast Guard, Army Corps of Engineers, U.S. Environmental Protection Agency, Washington State Department of Ecology, Washington State Utilities and Transportation Commission, Washington State Department of Fish and Wildlife, Pierce County, City of Tacoma, and the Port of Tacoma. More than 100 LNG production, storage and transport facilities currently operate in the US – including one that PSE has owned in Gig Harbor for more than a decade.

We realize that there will be some local businesses affected during the construction phase. Puget Sound Energy has already reached out to these local businesses in order to address any of their concerns. We appreciate your consideration of our position of support as you complete your review of the project.

Sincerely,

A handwritten signature in cursive script that reads "Lora Butterfield".

Lora Butterfield  
President/CEO



## City of Tacoma

Council Member Ryan N. Mello

**August 19, 2014**

Ms. Clare Petrich, President  
Port of Tacoma Commission  
P.O. Box 1837  
Tacoma, WA 98401

Dear Commissioner Petrich:

I wish to express my support of Puget Sound Energy's Tacoma Liquefied Natural Gas (LNG) project proposed to be located at the Port of Tacoma and fully appreciate the Port's investment in time and resources to thoroughly examine this project. I strongly support this effort to provide a cleaner fuel alternative for maritime vessels owned by Totem Ocean Trailer Express (TOTE) and other local employers. My support is based on the following elements:

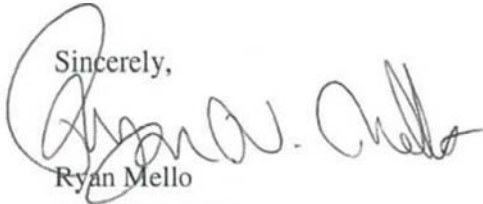
The Tacoma LNG project will provide important environmental benefits for the people of Tacoma. LNG is a cleaner alternative to conventional fuels, such as diesel. Switching from diesel to LNG reduces greenhouse gas emissions by up to 30% and eliminates visible particulate emissions such as particulate matter 2.5 (pm2.5) a major contributor to the South Sound's non-attainment status under the Clean Air Act. The Puget Sound Clean Air Agency, the regional Air Quality Board for which I am on the Board and represent the City of Tacoma, is months away from submitting our plan to the Environmental Protection Agency, demonstrating that our region can be in attainment and stay out of non-attainment for at least 10 years. Projects such as this LNG facility are key to staying out of non-attainment while still ensuring our local companies and shippers have reliable transportation fuels. This helps improve air quality and reduce health risks, and will help local employers like TOTE comply with new, stricter low-sulfur emission standards. Use of LNG also virtually eliminates the potential for harmful fuel spills that could damage the waters of Commencement Bay and Puget Sound.

As a local government representative, I share your interest in projects that provide family wage jobs to our residents and contribute to a healthy economy. The Tacoma LNG project will generate important economic benefits for all South Sound residents. In addition to helping an important local employer like TOTE remain competitive and maintain hundreds of family-wage jobs, the LNG facility itself will directly or indirectly support nearly 500 jobs during its construction and support more than 120 permanent jobs during its operations. It will also generate additional tax revenues for state and local governments, helping to fund critically important public services. The Port and City of Tacoma both must respond to growing demand for services, and every opportunity for increasing our tax base with quality projects should be considered. Projects that meet both our desires for good paying jobs, with benefits and a cleaner, healthier environment deserve our extra-special attention.

I also share your commitment to public transparency and thorough review of projects that require government and regulatory approval. As you know, the Tacoma LNG Facility will go through an extensive review and approval process with federal, state and local government agencies. PSE will be required to conduct an extensive environmental review, obtain multiple permits and provide numerous opportunities for public comment throughout the review and approval process. It is my intention to support this project and carefully monitor the extensive review process as it is completed with input from the public and their representative agencies. It is also my intention to ensure that PSE complies with all local, state and federal requirements to ensure safety and security of the workers in and around the facility, full environmental compliance and mitigation of any identified, appropriate impacts to transportation and other requirements identified in the review process.

I appreciate your consideration of my position of support as you complete your review of the project. Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan Mello", written over a circular stamp or seal.

Ryan Mello  
Councilmember

CC: Port of Tacoma Commissioners  
John Wolfe, CEO, Port of Tacoma



October 16, 2014

Shirley Schultz  
City of Tacoma  
747 Market Street  
Tacoma, WA 98402

Re: Proposed Puget Sound Energy Tacoma LNG Plant Environmental Review Scope

Dear Ms. Schultz,

The Port of Tacoma appreciates the City of Tacoma taking the lead agency role for Puget Sound Energy's (PSE) proposed Tacoma Liquid Natural Gas (LNG) plant. We trust the City will conduct an effective, efficient, and timely review process under the State Environmental Policy Act (SEPA).

The Port strongly supports this project. The plant will provide Totem Ocean Trailer Express (TOTE) clean alternative fuel for its domestic service (primarily between Tacoma and Alaska). Changes in federal air quality requirements have necessitated significant emissions reductions from most commercial vessels within 200 miles of North American shores. While marine cargo related sources account for only 3% of fine particulate emissions in Pierce County, we believe these emission reduction initiatives demonstrate the leadership of the maritime industry in maintaining and improving our region's quality of life.

Further, PSE's proposed plant will place Tacoma at the forefront of providing clean fuel to the maritime, as well as other sectors of the transportation industry. It is very exciting to watch the transition to cleaner fuels at our very doorstep.

Given the significant investment the Port made in the *Blair-Hylebos Terminal Redevelopment Project Environmental Impact Statement* (EIS), and the fact much of that document remains relevant for this project, the Port encourages the City to incorporate all relevant and appropriate portions of that document by reference and focus the new EIS closely on those elements of the environment for which there is a probable significant negative environmental impact. That type of focus will allow the City to complete this environmental review in an effective, efficient and timely manner.

Thank you for the opportunity to comment on the scope of this review process. Please contact Tony Warfield at 253-428-8632 with any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dakota Chamberlain".

Dakota Chamberlain  
Chief Facilities Development Officer

cc: T. C. Broadnax, City Manager, City of Tacoma  
John Wolfe, CEO, Port of Tacoma  
Scott Francis, Director, Real Estate, Port of Tacoma