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1 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
2 COMMISSION

3 WASHINGTON UTILITIES AND)
4 TRANSPORTATION COMMISSION,)
5 Complainant,)
6) Docket Nos. UE-140762
7) and UE-140617 (Consolidated)
8 v.)
9)
10)
11 PACIFIC POWER & LIGHT)
12 COMPANY,)
13)
14 Respondent.)

11 PUBLIC HEARING - VOLUME III
12 Pages 73-103

14 September 26, 2014

15 12:00 p.m.

16 15 North Third Avenue

17 Walla Walla, Washington

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25 REPORTED BY:
 JERI L. CHANDLER, CCR No. 3191

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3 Commission:

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I N D E X

2 WUTC vs. Pacific Power & Light Company
3 No. UE-140762
4 September 26, 2014

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PAGE NO.

7 Public Comments

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E X H I B I T S

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(None marked)

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1 BE IT REMEMBERED that on Friday, September 26, 2014,
2 at 12:00 p.m., at 15 North Third Avenue, Walla Walla,
3 Washington, the Transcript of Proceedings was taken
4 before Jeri L. Chandler, Registered Professional
5 Reporter and Certified Court Reporter. The following
6 proceedings took place:

7

8 CHAIRMAN DANNER: It is 12:00 o'clock. This is
9 the Utilities and Transportation Commission's public
10 hearing on Pacific Power's rate request. This is
11 Docket UE-140762. It is September 26, and this is the
12 Walla Walla portion. We had a public hearing last
13 night in Yakima.

14 The purpose here today is to hear the views of the
15 public on a request by Pacific Power to increase
16 electric rates in its Washington service territory.

17 My name is Dave Danner, and I'm the chair of the
18 Washington Utilities and Transportation commission.
19 With me is my colleague, Jeffrey Goltz, Commissioner
20 Goltz. We are two of the three-member commission. Our
21 other colleague, Commissioner Jones, couldn't make it
22 today but will be reading the transcript of the
23 comments that we receive today.

24 I'll give you a summary of the rate request as was
25 prepared by our Attorney General's Office of Public

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1 Counsel. Mr. ffitch is here from the Office of Public
2 Counsel, and he represents the interests of the public
3 in proceedings before the UTC.

4 In May 2014, PacifiCorp filed a request with the
5 Washington Utilities and Transportation Commission to
6 increase its annual electric rates by \$27.2 million.
7 The company's request would raise the monthly electric
8 bill of the average residential customer by \$10.92, or
9 9.5 percent, and would increase the basic monthly
10 customer charge from \$7.75 to \$14.

11 In addition, PacifiCorp has requested recovery of
12 an additional \$6.6 million for deferred accounting
13 items, which would add to the total customer impact.

14 The rate request states that the increase is
15 needed to cover costs for investments in the company's
16 electrical system; increased power costs, which
17 includes a proposal to allocate costs for purchasing
18 power from Oregon and California power generators to
19 Washington customers; increased operation, maintenance,
20 and administrative costs; and increased investor
21 return.

22 So just to give you a little background, the UTC
23 sets rates through a formal hearing process not unlike
24 a proceeding in civil court. The commissioners sit as
25 judges, and the company is a party to the case, as is

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1 the Commission's regulatory staff -- and our counsel
2 for the regulatory staff is here, Mr. Oshie -- as well
3 as sometimes industrial customers, environmental
4 groups, or others.

5 We are going to see a short video. It explains
6 more in detail the processes we go through. The video
7 will mention that we are looking at electric and
8 natural gas rates. As a matter of fact, this is
9 just -- Pacific Power is just an electric utility. We
10 will not be dealing with natural gas here.

11 Information about the rate filing is available on
12 the table outside. There are also company
13 representatives here today. Mr. Daley, raise your
14 hand. So if you have specific questions that he can
15 help you with, I've just singled him out.

16 We will go forward. Let's go ahead and watch the
17 video. I do want to thank the City of Walla Walla for
18 making this chamber available for our meeting today.

19 (Whereupon, the video was played off the record.)

20 CHAIRMAN DANNER: Thank you very much, Roger.

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PUBLIC COMMENTS

23 CHAIRMAN DANNER: We will now go into the public
24 comment. I want to say, first of all, that this is an
25 opportunity for you to share your comments and for us

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1 to listen. So it is not our role here today to answer
2 questions that you may have or engage with you in a
3 dialogue or debate. So if you ask us a question, we
4 will deem it to be rhetorical, and we will refer you to
5 company public counsel or our staff counsel.

6 So, with that, I have several people signed up. I
7 want to be mindful that some of you may be taking time
8 out from your lunch hour and may need to get back to
9 work. So if there's anybody that has a time
10 constraint, we'd like to listen to your comments first.
11 Is there anyone out here who has such a time
12 constraint?

13 All right, then. Why don't we start with Beth
14 Call. Oh, we do have more.

15 Beth Call, are you here?

16 MS. CALL: I am here.

17 CHAIRMAN DANNER: Do you wish to make a comment?

18 MS. CALL: Not at this time.

19 CHAIRMAN DANNER: Oh, excuse me. We need to --
20 anyone making a comment will have to be sworn in, and
21 in the interest of efficiency, we like to do that all
22 at one time.

23 So anybody who intends to come up and speak, could
24 I ask you to stand, and Commissioner Goltz will swear
25 you in.

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1 COMMISSIONER GOLTZ: Would you all raise your
2 right hand.

3 (Whereupon, all prospective presenters
4 were first duly sworn.)

5 CHAIRMAN DANNER: Thank you. So I guess I will
6 start, then, with the people who have said
7 affirmatively that they would like to make comments.

8 So, Ted Koehler, are you here?

9 MR. KOEHLER: Yes.

10 CHAIRMAN DANNER: Would you like to come forward,
11 sir?

12 Mr. Koehler, are you a customer?

13 MR. KOEHLER: Yes, I am. So I'll be brief, but I
14 am a customer, also the housing director for Blue
15 Mountain Action Council here in Walla Walla
16 representing the client service area of Walla Walla,
17 Columbia, and Garfield County, working with low-income
18 residents with weatherization and energy assistance.

19 First of all, I'd like to thank you, the
20 commission, for the opportunity to provide input. Then
21 I'd like to thank the company and company staff for
22 their work that they do in the low-income area, helping
23 clients and the people in the community.

24 And then I'd also like the commission to consider
25 the effects of this rate case, being that 9.5 percent

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1 increase and the two- to three-tier level and the fee
2 increase for the turn-offs and the turn-on and after
3 hours; and then, also, finally, the recovery method
4 that would increase fees by the recovery agent for bad
5 debt, to have a disparate or a disadvantaged effect on
6 the low-income population in the community, affecting
7 them at a different level than the average customer.

8 Thank you.

9 CHAIRMAN DANNER: Mr. Koehler, could you describe
10 for my benefit the Blue Mountain Action Center? Is
11 that --

12 MR. KOEHLER: Council.

13 CHAIRMAN DANNER: And what are the services that
14 you provide and how big is the demand here for those
15 services?

16 MR. KOEHLER: So there are -- we're a nonprofit
17 community action agency in the community, in the three
18 counties that I spoke of, the service area. We provide
19 energy assistance, low-income energy weatherization to
20 homes, 25 to 30 homes a year for the weatherization;
21 energy assistance, we provide in various forms to about
22 800 families or households a year.

23 We provide pro bono legal assistance, literacy,
24 youth jobs, Americorps, commitment to community, so
25 basically a very community -- we have over 50 employees

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1 serving the community, and so quite engaged.

2 CHAIRMAN DANNER: Okay. And so when you talk
3 about energy assistance for 800 homes a year, what
4 percentage of the demand do you think that that
5 reaches?

6 MR. KOEHLER: I would say -- so it's multiple
7 forms of assistance, being some of them are LIBA and
8 some of them Pacific Power, some LIHEAP assistance, and
9 then also some Cascade Gas assistance.

10 I would say that that's probably --
11 percentage-wise, I don't know offhand because that's
12 not one of my programs specifically, but I would say
13 that it meets probably 60 to 70 percent of the demand
14 for energy assistance.

15 And in the last couple years, we have fed our
16 weatherization work list from our energy assistance
17 clients to try to bring down the number, as funding has
18 decreased wholly. We've used the energy assistance
19 list or people that have gotten energy assistance and
20 targeted them to perform weatherization services,
21 hoping they would not be a client the next year in
22 energy assistance.

23 That's had some success, but it's still -- as it
24 seems a lot of the lower-income clients are people that
25 heat with electric-resistance heat and, in the winter

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1 months, causing an effect to the -- they use a lot more
2 electricity in the winter months with
3 electric-resistance heat, not being able to afford
4 newer-style heat systems, pumps and such.

5 CHAIRMAN DANNER: What's the geographic territory
6 that you serve?

7 MR. KOEHLER: So it's Walla Walla county, Columbia
8 County, and Garfield County.

9 CHAIRMAN DANNER: So your clientele is not just
10 Pacific Power customers?

11 MR. KOEHLER: Correct.

12 CHAIRMAN DANNER: Thank you.

13 COMMISSIONER GOLTZ: Just real quick. So
14 you're -- you administer federal LIHEAP funds in those
15 three counties?

16 MR. KOEHLER: No. I do use some LIHEAP funds for
17 weatherization, but there's another gentleman here in
18 the room that administers the LIHEAP funds for energy
19 assistance.

20 CHAIRMAN DANNER: Thank you very much. Appreciate
21 your comments.

22 I see Nancy Jacobsen, also --

23 MS. JACOBSEN: I will decline at this time.

24 CHAIRMAN DANNER: Barbara Clark. Good afternoon.

25 MS. CLARK: Hello. Good afternoon.

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1 I also wanted to thank the commission for
2 traveling here to Walla Walla. It makes it easy for
3 those of us who live in this area who sometimes are
4 considered way off in the corner.

5 I also would like to thank Pacific Power for the
6 reliability of the service that we as a family have
7 always received and as a community. They get right out
8 there if there are interruptions in service, and I
9 think they do a very good job of service delivery.

10 I'd like to briefly introduce myself. I want to
11 give a disclaimer here. I'm a retired lawyer and then
12 more recently mediator, but I am a current member of
13 the Walla Walla City Council and former mayor. And
14 I -- my disclaimer is to say that these remarks are
15 entirely my personal remarks. The council has taken no
16 position on this; in fact, I don't think has ever
17 discussed this matter.

18 With regard to the requested increase in rates, I
19 have two concerns. The first -- and this is derived
20 from the information that we received in the notice of
21 this hearing that came with our electric bill -- was a
22 request that the commission approve approximately
23 \$5 million to increase the return on investment for the
24 investors.

25 I would say, from my perspective, because we're

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1 talking about an increase in costs to consumers at a
2 time when a lot of people are struggling, I think that
3 it would be legitimate to ask for increases to increase
4 workers' wages, their employees' wages, to further or
5 much increase subsidization of weatherization, or even
6 investment in renewable energy sources, although I see
7 that in your report you said that's supposed to be done
8 by the non-customer investors, because those things
9 would improve the economy for all of us and we would
10 all benefit from that.

11 So when so many people are struggling, to increase
12 their cost of living for the purpose of putting more
13 money into the pockets of wealthy people, I believe is
14 wrong and inappropriate at this time, and it's probably
15 a significant part of the reason why so many people are
16 struggling.

17 Also, because Pacific Power has made a business
18 decision to buy most of its electricity from the
19 coal-fired thermal plants that are owned and operated
20 by their parent company, in a certain sense, we are
21 already subsidizing their investors because we're
22 helping to keep that company going.

23 Finally, I believe that we are already subsidizing
24 investors as well because we allow fossil fuel
25 companies, and coal companies in particular, to

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1 externalize many of their costs. And as a society, we
2 pick up medical bills, we pick up pollution costs, the
3 kinds of costs that another kind of company might have
4 to pay; and, therefore, I consider that a subsidy to
5 investors.

6 My second concern has to do with the fact that
7 Pacific Power -- Pacific Power's mix of sources of
8 electricity is so highly dependent on coal.

9 The Oregon Department of Energy -- I didn't see
10 anything on your website, but I haven't been looking
11 that long -- shows that Pacific Power is generating
12 electricity -- or is buying electricity that's
13 generated by coal-fired thermal plants to the amount of
14 about 67 percent of its total supply. About 13 percent
15 is natural gas and 9 percent is hydro and other.

16 Just to compare with Portland General Electric,
17 Pacific Power's coal is 67 percent, PG&E's is
18 30 percent. So this is -- this is a choice, it
19 appears, by Pacific Power to use coal as its primary
20 source of electricity.

21 I just recently, very recently, read an order by
22 the Oregon Public Utility Commission that was issued on
23 July 10 of this year. The Oregon Public Utility
24 Commission, apparently every two years, is to do a
25 review of the integrated resource plan of the utilities

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1 that it monitors and regulates.

2 On July 10 of this year, they issued the order in
3 which they refused to approve expenditures by Pacific
4 Power at three coal plants, and I believe those are all
5 owned by their parent company, because the commission
6 said the coal does not represent the least cost for
7 consumers.

8 Again, not only is coal not only not the least
9 expensive source of electricity anymore, but it has
10 very high externalized costs that customers pay through
11 climate change and destruction of human habitat and
12 toxic emissions, such as mercury that we all have to
13 deal with.

14 I would say this is -- obviously, this is all
15 about money, and Pacific Power customers shouldn't be
16 asked to subsidize wealthy investors or a vertically
17 integrated company that is making costly and
18 inefficient business choices in order to enrich its own
19 investors or what appears to be that way to me.

20 We shouldn't be asked to subsidize increased risks
21 of illness, losses for agriculture, threats to our
22 forests and our water supply locally, costs of
23 wildfires, and other costs for our economy that are
24 caused in part by those business decisions made by the
25 company.

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1 And I certainly acknowledge the fact that all of
2 us as customers choose to use all of those things. I
3 mean, it's not as if we are unaware of the fact that
4 we're contributing to the problem, but the company does
5 have the capacity to make different choices.

6 Finally, this is a public utility that's regulated
7 in recognition of the fact, I think, that it provides a
8 fundamental service that all of us need, that these
9 kinds of industries tend toward monopolies and
10 therefore need to be regulated in the public interest
11 and for the public good.

12 I'm not sure what "safe and reliable" means in
13 your terms, but I think that the high reliance on coal
14 maybe brings into question whether, in fact, this
15 business plan and this request provides safe energy.

16 Thank you very much.

17 CHAIRMAN DANNER: Thank you. Do you have any
18 questions? All right. Appreciate your comments very
19 much.

20 I have a little trouble reading this. Jean
21 Hollading? Did I get that right?

22 MS. DOLLING: Dolling.

23 CHAIRMAN DANNER: Dolling?

24 MS. DOLLING: Doll with an "ing" on it.

25 CHAIRMAN DANNER: And how is that spelled?

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1 MS. DOLLING: D-o-l-l-i-n-g. Just doll with an
2 "ing" on it.

3 CHAIRMAN DANNER: Good afternoon.

4 MS. DOLLING: I appreciate this opportunity to
5 come before you and let you know my opinions about
6 this.

7 And what Barbara had to say, I can't elaborate
8 much, but I am in total, 100-percent agreement with
9 Barbara Clark. Administrative salaries should be kept
10 to minimum in the corporation based upon comparative to
11 the median family income of the ratepayers that they
12 serve.

13 And I -- I can't get into their books, but I am
14 pretty certain that over time there's been accumulated
15 increases in salaries, promotions, what have you, and
16 retirement benefits. I would really like to know what
17 percentage of us ratepayers' money goes into these
18 exorbitant costs that are really not necessary in the
19 fact that they are so high above the ratepayers' median
20 incomes themselves.

21 I don't know how you curb something like that,
22 other than you just fire people and start over with
23 people at a lower wage; but I think -- I've known a few
24 people that have retired out of PP&L, and they have
25 some pretty hefty retirements. So that is a large part

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1 of the cost.

2 And if they want to continue those administrative
3 costs themselves, I don't think the ratepayers should
4 be responsible for it. I think they ought to have to
5 look privately on their own to earn that money to pay
6 for these exorbitant administrative costs that they've
7 accumulated over the years through, like I say, salary
8 increases, promotions, and retirement benefits.

9 The Energy Assistance Program, basically it's very
10 important, but it doesn't serve enough people. And
11 now, because the funding has been cut from what it has
12 been five years ago, ten years ago, there is a lottery
13 system. So if you're fortunate, your name gets drawn,
14 and you may get help, and not as much help as you have
15 in years past.

16 But then there's a portion of money that also goes
17 to the administration of figuring out who's going to
18 get help and get you in there. So that could be tied
19 to social security numbers because it's a common fact
20 that social security has the number and the incomes of
21 everybody that lives in the United States, or pretty
22 much close to it.

23 I know in order to go into Blue Mountain Action
24 Council, which we call "BMAC" for short, you have to
25 have your social security card. So a lot of the

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1 administrative costs could be reduced by basing the
2 Energy Assistance Program right out front on a person's
3 income.

4 Waiving the basic energy charge would be
5 something -- I pay \$93 a year, and I don't even get to
6 flip a switch. So how many days would that \$93 take of
7 me sitting in a dark, cold house to pay just to be
8 hooked up to the power system?

9 And I -- you know, my grandpa railed about this
10 when I was a kid. "They're lit like a town shithouse.
11 Why have they got lights on in every room in the house
12 when they're not in there?"

13 We've got some pretty big houses. They've got
14 spendy -- it wouldn't be too hard in the computer
15 system. They know what everybody pays and just sort
16 accordingly the residential customers. And the
17 residential customers that are way above usage that's
18 justifiable economically, I would quadruple their rates
19 and let them pay for it. And then, that way, that
20 would offset the energy assistance to the low-income
21 people that just simply don't have the money to turn a
22 light on in every room in the house when they're not in
23 there and other wasteful practices that a lot of
24 residential customers -- you can drive around and see
25 what they're doing.

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1 And farmers there are growing food. You know,
2 they need to have some sort of look at the fact that
3 they are benefiting society on the whole and have a
4 different rate, a reduced rate.

5 And oftentimes farmers pay so much money just to
6 get their meters turned on, and then they're
7 actually -- their kilowatt-hour charge is higher than
8 residential customers, and that's -- that's not fair.

9 That absolutely is something that should be looked
10 upon, that farmers who grow food should have a reduced
11 rate so that they can -- equipment costs and -- I mean,
12 fuel costs, everything.

13 So instead of raising their power rates -- you
14 can't -- you know, it just hurts. It's just real
15 painful when you can't afford to irrigate plants, and
16 you have to let them die because of the rate increases.

17 I think I've pretty well got it covered. And,
18 again, thanks to Barbara Clark and you here for being
19 here. Thank you.

20 CHAIRMAN DANNER: Thank you very much for your
21 comments.

22 Nora Osterman? Norm Osterman.

23 MR. OSTERMAN: Right. Thank you for the
24 opportunity to testify.

25 I have three reasons why I am against the rate

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1 increase; first being that I'm obviously a senior
2 citizen, and my hair is unlikely to turn brown again.
3 And, of course, that's one -- I find that any rate
4 increase burdensome.

5 Second, I'm a member of the County Advisory
6 Committee on Housing and Homelessness, and we go
7 over -- we put our stamp of approval on various housing
8 agencies, including BMAC, the first gentleman you heard
9 from.

10 And I'll give you an example of one housing
11 agency. It's called the Star Project. They give
12 housing to people coming out from prison so that they
13 don't knock over a 7-11 and go back in again. They
14 give them a place to stay and try to take care of them
15 so that they become, you know, useful citizens. That
16 agency would find a rate increase very burdensome.

17 Just for the whole state of Washington, we are the
18 most regressive state in the union. We're 50 out of
19 50. We -- it's the best place to be rich, the worst
20 place to be poor. We have a sales tax -- if a
21 billionaire goes and buys tube socks, the 8.5 to
22 9 percent sales tax doesn't really hurt them much, but
23 it does hurt someone who's making 20-, \$30,000 a year.
24 Okay?

25 The increase in electricity, which is something

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1 you absolutely have to have like water, you know, you
2 better make pretty darn sure that it's just absolutely
3 necessary.

4 And the third reason is that Pacific Power & Light
5 is owned by Berkshire Hathaway, who are investing very,
6 very heavily in coal and oil trains, the cars that
7 carry them, the coal that dumps 500 pounds of coal dust
8 off on its trip from Wyoming to its destination, and
9 the trains are a mile and a half long.

10 Coal burning creates mercury, thorium, cadmium,
11 arsenic, and another whole laundry list of bad things.
12 Nobody is going to tell you that producing electricity
13 by coal is the healthiest way to do it.

14 And, you know, we're even -- there are no streams
15 left in the United States that don't have mercury in
16 them. And Berkshire Hathaway is investing in exporting
17 the coal, which comes back to us on prevailing winds
18 from China in as little as three days.

19 And I simply -- the oil trains, the oil they're
20 investing in, can explode at temperatures as low as
21 73 degrees. It's more like gasoline than thick oil.
22 And I'm sure you've heard of explosions, like the one
23 in, I believe, Ontario that wiped out part of a town,
24 vaporized it.

25 CHAIRMAN DANNER: Quebec.

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1 MR. OSTERMAN: Quebec. Okay.

2 So I simply don't want my burdensome increase --
3 which, you know, I'd pay if I thought they really
4 needed it -- going to pass along to Berkshire Hathaway
5 to buy more coal and oil cars.

6 I -- you know, I think my first two reasons are
7 sufficient. The third one is obviously more political,
8 but I would urge you to have them forestall an increase
9 and look into it more deeply.

10 Thank you very much.

11 CHAIRMAN DANNER: All right. Thank you very much
12 for your comments.

13 We have some people who have indicated with a
14 question mark, meaning they think that they wanted to
15 see what other folks commented and then they would come
16 forward or not. So we'll go back to the top of the
17 list.

18 Beth Call, did you want to make any comments now
19 that you heard some others?

20 MS. CALL: Yes. First of all, I totally agree
21 with what Barb Clark and Norm have said.

22 And, secondly, there's something I've been
23 wondering about for a long time. I contributed to blue
24 skies for many years, and I see more and more windmills
25 going up around the state, many of which are built, I

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1 believe, by PP&L.

2 And I'm wondering why, with all those windmills,
3 why we have to get so much of our power from coal,
4 which is so destructive to health and the environment,
5 when it would seem that a new source of wind power is
6 opening. Where is that power going to?

7 CHAIRMAN DANNER: All right. Thank you very much.
8 Chuck Smith?

9 MR. SMITH: I'll pass.

10 CHAIRMAN DANNER: Dan Clark? Good afternoon.

11 MR. CLARK: Good afternoon.

12 I'd also like to thank you for coming to Walla
13 Walla and giving us an opportunity to testify. I
14 appreciate the council's -- the commission's structure
15 and the presence of public counsel.

16 I am a -- I am the project coordinator for Walla
17 Walla 2020. It is the citizens group which, for a
18 couple decades now, has been interested in planning for
19 a livable future for Walla Walla in the year 2020 and
20 beyond, as well as currently.

21 I am also an officer of Sustainable Walla Walla,
22 as we realize the threats to our way of life as we know
23 it from climate change, from depletion of energy
24 resources, we all need to be thinking about how we can
25 live more renewably and sustainably.

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1 So there are a lot of people in Walla Walla, I
2 think, that have these values. There was a march here
3 on Sunday coinciding with the worldwide concerns being
4 expressed over the impacts of burning coal, as PP&L
5 primarily is doing with your dollars, our dollars.

6 A lot of Whitman College students came to that.
7 This is the next generation. Again, we gray hairs have
8 a stake in this, but we also have a responsibility to
9 the future, future generations. So I certainly do
10 agree with the comments made previously.

11 I want to say that I think that it is
12 unconscionable for a power company exercising a quasi
13 monopoly -- only one line comes down my street -- to be
14 asking for more money for investor return as well as
15 administrative costs when that company is producing
16 over two-thirds of its electricity from coal, which is,
17 by most every reading, an extremely damaging way to do
18 that, produce electricity.

19 They're asking this commission to endorse that, in
20 effect, that they're acting reasonably; that they're
21 producing safe and reliable energy; that this is a just
22 return, a just rate.

23 And I think that so long as this company engages
24 in its choice -- of course, it owns a lot of the coal;
25 and so it's buying from itself. It's making that

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1 choice on our behalf for our state, and these impacts
2 are certainly global. Food production is going to be
3 impacted. All kinds of -- every element of our life is
4 going to be impacted by these two things of climate
5 change and price increases for fossil fuel depletion.

6 And so I think this commission -- we need as a
7 society, I think, to look for every way that we can
8 legally, in terms of public policy, to put our society,
9 our Washington State way of life, including the
10 regulated industries that are acting for us in, again,
11 a quasi monopoly, to get on board with policies that
12 will protect not only our present people, people of all
13 income levels, but future generations.

14 I like the suggestion that this commission, when
15 it determines what a fair return is and whether the
16 company is being reasonably efficient with its use of
17 its income and application to its costs, I think that
18 this commission in this case and other cases, similar
19 commissions, is not beyond the pale for you to consider
20 whether it is reasonable to pay the CEO of Pacific
21 Power more than 10 times the salary of its lowest paid
22 worker, its lineman, for example.

23 Other societies, Japan, I think that the ratio
24 between the highest paid and the lowest paid workers
25 for a company is much -- much smaller than the United

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1 States.

2 So I would ask you to look very carefully at what
3 they're spending money on, how they're generating
4 electricity. Is that safe for our future?

5 Is it fair for our citizens, low income and at all
6 levels, to be paying to perpetuate the current
7 electrical-generation policies, salary policies, rate
8 structures which don't -- I don't think discriminate
9 between the big, overbuilt houses that are going up in
10 our fields here with all the lights on than the far
11 more than ten families at the lowest level have in
12 terms of household space and energy expenditure?

13 I think I also endorse the idea of a rate
14 structure for consumers that is based on use and
15 evidence of conservation.

16 Thank you very much.

17 CHAIRMAN DANNER: Thank you very much for your
18 comments.

19 And Carlan Bradshaw, do you wish to come forward?

20 MS. BRADSHAW: My feelings have been expressed.

21 CHAIRMAN DANNER: That takes us to the end of the
22 sign-up sheet. Is there anybody in the room who has
23 not signed up who wishes to come forward and make some
24 comments to us today? Please come forward.

25 MR. CASTOLDI: I signed up.

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1 CHAIRMAN DANNER: Your name?

2 MR. CASTOLDI: Bob Castoldi.

3 CHAIRMAN DANNER: You signed up "no." So I will
4 cross that out.

5 MR. CASTOLDI: I'm with Blue Mountain Action
6 Council, and I administer the energy assistance
7 programs.

8 And the questions you were asking Ted, I can
9 probably answer better. We do have numerous people
10 that do not get help through our programs. We have a
11 waiting list of people who we can't help. Our waiting
12 list continues --

13 THE REPORTER: I'm sorry. Can you speak up?

14 CHAIRMAN DANNER: For the benefit of the court
15 reporter, can you speak into the microphone?

16 MR. CASTOLDI: Our waiting list continues until we
17 cut it off in April or May because we just don't have
18 the funds.

19 I believe an impact on the low income at the rate
20 increase, they would be the people to get hurt. I
21 think our crisis situation would increase.

22 Right now, our lighting funds, close to 30 percent
23 is spent on crisis, which is defined as 48-hour notice
24 or shut-off. So I would -- I would caution the
25 commission to delve deeply into the low-income issue of

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1 this rate case.

2 We're allowed to enroll a cap number on the LIBA
3 program, which we do every year, but there's far more
4 people that can get on it. We just -- we're capped at
5 that level.

6 So, anyway, that's the comments I have. I do want
7 to thank you for coming to Walla Walla and listening.
8 And Pacific Power, they do the LIBA program. It's a
9 great program.

10 CHAIRMAN DANNER: Okay. Thank you very much.

11 Is there anyone else in the room who has not
12 signed up who wishes to come forward?

13 All right. Well, that takes us to the end of it.
14 This docket is open. We will be taking public comments
15 in e-mail form or in letter form through the first week
16 in December. So if you have friends, neighbors, or
17 family who wish to comment on this, the information
18 that public counsel provided here, the addresses you
19 saw in the video, are on this sheet. So please share
20 that information with those who are interested.

21 Again, I want to thank the city for making this
22 room available, and I want to thank you all for
23 arranging to have very good weather for our trip to
24 Walla Walla. It's a beautiful day.

25 With that, if there's nothing else to come before

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1 us, then we are adjourned. Thank you.

2 (Hearing adjourned at 12:53 p.m.)

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REPORTER'S CERTIFICATE

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I, Jeri L. Chandler, Certified Shorthand Reporter,

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in and for the State of Washington, do hereby certify:

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6

That the foregoing proceedings were reported by me
7 stenographically and later transcribed into typewriting
8 under my direction; that the foregoing is a true record
9 of the proceedings taken at that time.

10

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IN WITNESS WHEREOF I have set my hand this 10th day

12

of October, 2014.

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JERI L. CHANDLER, RPR, RMR

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CCR NO. 3191

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