



April 20, 2021

State of Washington
Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

RE: Docket UE-200980 – Washington Utilities and Transportation Commission v. Puget Sound Energy

Dear Utilities and Transportation Commissioners,

On April 16, 2021 the City of Kirkland, along with other cities in the King County Cities Climate Collaboration (K4C), learned that the methodology that is used to calculate the Energy Charge Credit (ECC) for Puget Sound Energy's (PSE) Green Direct program is changing, meaning that the credit will be reduced from \$0.044838/kWh to \$0.039346/kWh, pursuant to approval of a settlement by the Utilities and Transportation Commission.

We have evaluated the impact of this change in the ECC and have calculated that our Green Direct energy costs will increase by almost \$500,000 over our 20-year contract with PSE, based on the projected savings provided by PSE when we extended our contract to 20 years in January 2021. While we expected some fluctuations in our renewable energy costs during the life of the contract, we could not have anticipated such a dramatic increase that significantly impacts our budget as we recover from the COVID-19 pandemic.

We would like a clearer explanation of the changes, the rationale behind it, and how multiple parties (that did not include Green Direct participants) agreed to a settlement. While we understand the uncertainties associated with green energy, the City is concerned that, as one of the first King County cities to champion green renewable energy by signing up for PSE's Green Direct program, the new methodology would result in Kirkland bearing a disproportionate amount of PSE's costs to transition to clean energy.

We appreciate the opportunity to explain the impacts of the proposed ECC reduction, and how we will be impacted by these changes. However, it is surprising that we were not notified of this issue much earlier in the process and afforded the ability to comment and help work towards an equitable resolution.

We urge the Commissioners to reject the settlement, to allow time to explain the change in calculations and give Green Direct customers and their technical staff or consultants an opportunity to better understand the changes and provide input before any changes are made to the ECC.

Thank you for your consideration of our request and we look forward to engaging in a productive dialogue on this issue.

Sincerely,
CITY OF KIRKLAND

A handwritten signature in blue ink that reads "Tracey Dunlap". The signature is fluid and cursive, with a long horizontal stroke at the end.

Tracey Dunlap
Deputy City Manager