

Connected Community Enhanced Livability Environmental Sustainability

April 21, 2021

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,

The City of Redmond is writing to comment on the joint settlement for Docket UE - 200980 that is relevant to Green Direct. The City subscribed to Green Direct 2 to receive local renewable energy to help meet our greenhouse gas emission reduction targets.

On April 16, 2021, we learned that the methodology used to calculate the Energy Charge Credit for Green Direct is changing, pursuant to approval of a settlement by the Utilities and Transportation Commission (UTC). This change, if approved by the Commissioners, will have significant negative impacts to the financial performance of Green Direct for the City of Redmond and many other subscribers.

The City worked closely with Puget Sound Energy (PSE) when entering into the Green Direct program. We anticipated some level of rate adjustment from the fluctuation in power prices and were comfortable with that risk but did not anticipate that the calculation method itself would be changed and lead to such a large increase in expense for the municipality. This comes at a particularly difficult time as cities are working hard to address COVID-19 and its economic impacts.

Redmond has partnered with Puget Sound Energy on many programs in the past and actively works with the utility to support their transition to the Clean Energy Transformation Act (CETA). However, there is concern that the new methodology would result in Green Direct subscribers bearing a disproportionate amount of PSE's costs to transition to clean energy.

While we understand that the proceedings require a certain level of confidentiality, the City is frustrated that this settlement was made without the participation of any Green Direct customers and without timely notice from either the UTC or PSE.

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The City urges the Commissioners to give Green Direct customers an opportunity to better understand the changes and provide input before any changes are made that would so drastically impact the City and other Green Direct subscribers.

Sincerely,

Angela Birney

Mayor, City of Redmond

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