

## Mak, Chanda (ATG)

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**From:** Jim Hutchinson <pedlpowr@gmail.com>  
**Sent:** Sunday, March 28, 2021 12:14 PM  
**To:** ATG WWW E-mail Public Counsel  
**Subject:** PSE Rate increase hearing 20 April, 2021

[EXTERNAL]

To the AAG representing the people in the matter of Puget Sound Energy's proposed rate increase before the Washington State Utility Commission to be heard 20 April, 2021.

Sir or madam - As the advocate of the residents impacted by this rate increase request I hope you will raise objections to this requested increase. According to information provided by Puget Sound Energy (PSE) cost increases are due to:

- Increased natural gas costs
- New Power Purchase agreements
- New-Renewed transmission contracts
- Decreasing customer electrical usage

My questions are:

1. What is driving increased costs on the supplier side? These should be clearly and credibly explained to ratepayers.
2. Would PSE be negotiating new power purchase agreements if their interest in the Colstrip plant remained unchanged? For example are new agreements required with the acquiring entity? Is PSE able to contract at the same rate as if they were an owner operator less operating costs? Are delivery costs for emergency/peak hour capped? What is PSE's usage history from the Colstrip plant they are divesting in the last 5 years?
3. To what degree are these transmission contracts related to PSE's divestiture of their Colstrip plant interest? For example did their prior ownership include an interest in or a right to existing transmission facilities?
4. PSE has an active program of mailing information to users informing them of their power usage as against 'comparable' residences. Setting aside the arbitrary nature of such comparisons, should this program be terminated as a utility cost which is contributing to reduced usage? If not, why not?

In short - The costs PSE seeks to recover appear to have been driven in part by legislative or regulatory requirements unrelated to obtaining a highly reliable energy source in the most economical manner for the ratepayers in PSE's service area. The costs not based on well proven economical supply and management processes results in a subsidy by ratepayers of a regulatory regime that reduces overall system reliability and increases costs. Such a cost subsidy by ratepayers should be publicly acknowledged and clearly stated.

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