

## Mak, Chanda (ATG)

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**From:** Russell Borgmann <rborgmann@hotmail.com>  
**Sent:** Tuesday, April 20, 2021 4:32 PM  
**To:** ATG WWW E-mail Public Counsel  
**Subject:** Reject PSE's Rate Increase Proposals (Docket UE-200980)  
**Attachments:** PSE Docket 200980 Letter 20-April 2021.docx

[EXTERNAL]

**To:** utility@atg.wa.gov' [utility@atg.wa.gov](mailto:utility@atg.wa.gov)  
**Subject:** Reject PSE Proposals (Docket UE-200980)  
April 20, 2021  
RE: PSE Rate Case, Docket UE-200980

Dear Commissioners,

Please reject PSE's proposed energy rate increase. Without disclosure from PSE about the actual electricity demand in their service territory, particularly in the Eastside region, there is no justifiable reason to either raise rates or approve PSE's Energize Eastside project.

PSE claims that the rate increase in-part is due to **DECREASING demand**. Since we are using less energy, they need to increase revenue by **RAISING customer rates**. I can only hope that you see the incredible irony of that logic?!

Additionally, PSE claims that we need Energize Eastside because of **INCREASING demand**. **How is it possible that electricity demand is simultaneously increasing and decreasing?** Again, I can only hope that you see the incredible irony of PSE's faulty logic!

It is not in the public's interest to approve these proposals with the limited information provided by PSE. PSE is clearly attempting to bilk its customers by raising electricity rates to satisfy investment returns for their foreign ownership, the Canadian Pension Plan Investment Board, as well as PSE's Dutch ownership.

PSE has already **wasted in excess of \$60 MILLION** of hardworking ratepayer revenue promoting the Energize Eastside project – that is money that has been spent **BEFORE A SINGLE POLE HAS BEEN PUT IN THE GROUND!** PSE fraudulently claimed in 2014 that the Puget Sound Eastside would experience “Rolling Blackouts” as soon as 2017. Here we are in 2021, and we have **NOT HAD ONE SINGLE ROLLING BLACKOUT**. And PSE has **NOT** had to resort to a **SINGLE CORRECTIVE ACTION PLAN (CAP)** to avoid a rolling blackout situation. **Electricity demand is flat-to-declining**, NOT increasing.

New technologies (grid battery storage, Virtual Power Plants (VPPs), solar, home battery storage, to name a few) as well as continued conservation have led to decreased demand. Please do not reward PSE's deceit and greed by agreeing to an unnecessary rate increase.

Ratepayers would be better served if PSE shelved Energize Eastside and redirected funding for that project to offset deferred maintenance in lieu of requesting yet another rate increase. **PSE CUSTOMERS HAVE HAD ENOUGH!** We already pay the highest electricity rates in the state of Washington! And we are seeing **NO** improvements in reliability. What are we getting in return for higher rates? Nothing!

Additionally, PSE continues to do excessive environmental harm via electricity generation by burning fossil fuels. Our sister utility, Seattle City Light, largely generates electricity via renewable resources. Why does PSE, a utility less than 10 miles away across Lake Washington, generate over two-thirds of its electricity by burning fossil fuels? Again, please do not reward PSE's atrocious environmental behavior by granting a rate increase that in no way appears to be allocated toward electricity generation via renewable resources and improving reliability of our Bulk Electric System.

Two of the “reasons” PSE cites for its requested rate increase are:

1. **“Higher natural gas costs.”** PSE’s customers are aware of the variability and volatility of natural gas costs that cannot be anticipated or controlled by PSE or its customers. **What is PSE doing to reduce this risk in the future?** As coal plants are closed during the next few years, PSE will shift much of the load onto its natural gas plants. If a drought were to reduce the availability of hydro resources, PSE would further increase its reliance on natural gas. There is also risk of new state or federal taxes on GHG emissions, which would also increase the cost of electricity generated by burning gas. PSE would pass these increased costs on to its customers. **PSE could reduce risk of overexposure to gas price fluctuations by accelerating acquisition of clean, cost-effective energy resources, including solar, wind, energy storage, demand response, and advanced electrical efficiency.** However, PSE’s plans to acquire and incorporate these resources during the next decade are overly modest, according to PSE’s 2021 Integrated Resource Plan. PSE is asking for rate increases now, but the company is doing little to avoid the risk of future rate increases due to overexposure to gas price fluctuations and taxation. We ask the Commission to deny rate increases caused by higher gas costs until PSE takes steps to reduce the risk of future increases caused by gas price hikes.
2. **“Decreasing customer electricity usage.”** Customers understand that PSE has fixed maintenance and operational costs that must be covered regardless of how much electricity is consumed by its customers. However, there are infrastructure investments that can be reduced or rescinded if anticipated consumption increases do not materialize. PSE proposed its quarter-billion-dollar “Energize Eastside” transmission upgrade eight years ago when the company anticipated demand for electricity would increase at 2.4% per year in Eastside cities (now proven to be an inflated forecast). During the past six years, PSE has not updated their inflated forecast with recent actual data. In its last several IRPs, PSE has shown falling peak demand across its service territory. The Eastside has also experienced lower demand growth than PSE’s forecast in 2015. Do customers still need an expensive project that will **cost PSE ratepayers more than one billion dollars in principal and interest payments** over its lifetime? If PSE needs a rate increase to cover “decreasing customer electricity usage,” the company could demonstrate the sincerity of its request by eliminating expensive infrastructure projects that are wasteful and completely unnecessary. If PSE insists that Energize Eastside is still needed, the WUTC could demand that PSE prove its case by publishing Eastside ACTUAL demand data for the past decade. Until PSE withdraws its Energize Eastside proposal or provides proof via ACTUAL DATA that Energize Eastside is still needed, I ask the Commission to deny all rate hikes to cover decreasing customer electricity usage.

Please do not reward PSE’s lack of transparency, deliberate obfuscation, and self-serving inflated forecasts based on outdated data. Thank you for considering my comments regarding yet another self-serving PSE request for a wasteful rate increase at the expense of hardworking ratepayers.

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