

September 27, 2019

Commissioner Dave Danner
Commissioner Ann Rendahl
Commissioner Jay Balasbas

Washington Utilities and Transportation Commission
PO Box 47250
Olympia, Wa 98504-7250

Cc: Assistant Attorney General Lisa Gafken
Public Counsel Unit
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Seattle, Wa 98104

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Dear Commissioners Danner, Rendahl and Balasbas

We worked hard to get SB5116 passed, to remove coal-based electricity from Washington's electricity grid, but PSE continues to use ratepayer funds to prop up an economically unviable coal-burning asset. We have seen estimates that PSE spends tens of millions of dollars annually on the Colstrip plant in Montana.¹ Capital expense costs have been estimated at \$175M through 2022.²

PSE ratepayers are already paying to shut down the Colstrip coal-burning electricity plant. Continued operational and capital expenses should not be allowed to unfairly burden those same ratepayers.

To this latter point, the Vashon Climate Action Group supported the 1% PSE electricity rate increase negotiated on Sept 15, 2017 to "accelerate the time period during which Colstrip units 3 & 4 costs would be written off and fully depreciated"³. This rate increase allowed PSE to retire Colstrip 3 & 4 debt by 2027.

However, on June 20 of this year, PSE filed another electricity rate increase request of 6.9%. From the PSE website⁴:

"Puget Sound Energy filed a request with the Utilities and Transportation Commission (UTC) on June 20, 2019 to increase rates for gas and electric customers so PSE can continuing (SIC) making strides in providing clean, reliable energy. This filing will allow PSE to accelerate the shutdown of coal-based energy and make investments in a modern grid that can accommodate high levels of residential solar, battery storage and electric vehicle penetration."

But nobody at PSE is making a commitment to shut down Colstrip 3 & 4. We have asked – they said no. When PSE now asks for more money to "accelerate the shutdown of coal-based energy", they should

¹ <https://www.sierraclub.org/washington/blog/2019/06/fighting-for-responsible-retirement-for-colstrip>

² *ibid*

³ <https://www.seattletimes.com/seattle-news/pse-settlement-would-boost-electric-rates-by-1-percent-cut-natural-gas-rates-by-4-percent/>

⁴ <https://www.pse.com/pages/rates/news-and-filings/general-rate-case-statement>

shut down all of their coal-based electricity. They should accomplish this by 2025, in accordance with the new Washington State Clean Energy Transformation Act.

As a 25% owner in Colstrip 3 & 4, PSE should commit to the complete closure of all Colstrip units by 2025.

Continued Colstrip operation creates a secondary financial obligation on PSE ratepayers – clean-up costs. Every day that Colstrip operates just adds to the toxic wasteland that surrounds the plant. Every day of operation adds more clean-up costs. PSE ratepayers are already paying \$380 Million towards these clean-up costs as a result of the Sept 15, 2017 rate increase agreement.⁵

PSE ratepayers don't want coal-based electricity and they don't want to pay to clean up the continuing environmental damage caused by Colstrip operations.

It's time for PSE to stop spending ratepayer money on antiquated electricity generation sources that are literally endangering life on our planet. As leadership team members of the Vashon Climate Action Group, we want you to tell PSE to close down all the Colstrip units by 2025. This is the intent of SB 5116. This is the intent of literally hundreds of PSE customers who have been asking for this outcome for many years.

It's time to close Colstrip, the most polluting coal plants west of the Mississippi river.

Respectfully,

Stephanie Barbee – Leadership Team Member

Rob Briggs – Leadership Team Member

Suzanne Greenberg – Board Member

Andy James – Board Member

Kevin Jones – Board Member *KJ*

Virginia Lohr – Leadership Team Member

Noah Roselander – Leadership Team Member

Maia Syfers – Leadership Team Member

Judy Twedt – Leadership Team Member

⁵ <https://www.seattletimes.com/seattle-news/pse-settlement-would-boost-electric-rates-by-1-percent-cut-natural-gas-rates-by-4-percent/>