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BEFORE THE WASHINGTON STATE  
UTILITIES AND AND TRANSPORTATION COMMISSION

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WASHINGTON UTILITIES AND ) Docket UE-130043  
TRANSPORTATION COMMISSION, ) Pages 31-56  
Complainant, )  
v. )  
PACIFICORP d/b/a PACIFIC POWER )  
& LIGHT COMPANY, )  
Respondent. )

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PUBLIC HEARING - VOLUME II  
PAGES 31 - 56  
CHAIRMAN DAVID DANNER

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6:00 p.m. - 6:45 p.m.  
July 15, 2013

Washington Utilities and Transportation Commission  
129 North Second Street  
Yakima City Council Chambers  
Yakima, Washington

Jori L. Moore, CCR, RPR

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1 A P P E A R A N C E S

2 COMMISSIONERS: David Danner, Chairman

3 Philip B. Jones, Commissioner

4 1300 S. Evergreen Park Drive SW

5 Olympia, Washington 98504-7250

6

7 Also Present: Sarah Wallace, PacifiCorp Counsel

8 Lisa Gafken, Office of Public Counsel

9 Bob Cedarbaum, UTC Counsel for Regulatory Staff

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YAKIMA, WASHINGTON; JULY 15, 2013

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6:00 P.M.

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P R O C E E D I N G

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CHAIRMAN DANNER: Good evening. Let's go on the record here. This is the public comment hearing in UTC docket UE-130043. And that is requests by Pacific Power for a rate increase.

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My name is a Dave Danner, and I'm the chair of the Washington State Utilities and Transportation Commission. With me is Commissioner Philip Jones. We have a third commissioner, Jeffrey Goltz, who is dealing with a family matter tonight and so he will be reviewing the transcript as we go forward with this proceeding.

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The Utilities and Transportation Commission regulates the rates and services of investor-owned electric utilities. It is our job to ensure that the rates that customers pay for electric service is fair, just, reasonable and sufficient. We recognize that customers don't have choices in who their electric provider is and it is our job to make sure you're not paying more than what you need to.

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Pacific Power has on January 11 of this year proposed a rate increase that would increase their revenues by \$42.8 million which would result in about a 14 percent rate increase for the average consumer. A mailing from the company described

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1 those rate increase. This evening there's also a fact sheet  
2 that's been provided by the Attorney General's Office counsel  
3 that describes the proposal as well.

4 In rate proceedings before the Commission the company  
5 has the burden of proof. They submit hundreds of pages of  
6 testimony which the Utilities and Transportation staff will  
7 review and then bring before the Commission as an independent  
8 party assessing whether in their view it is in the public  
9 interest. The Commission will also hear from the company as  
10 well as by law the -- as a party by right the Attorney General's  
11 Office of Public Counsel. They are here tonight. We have Sarah  
12 Wallace, who is the senior attorney for PacifiCorp; Lisa Gafken,  
13 who is with the Office of Public Counsel, and Bob Cedarbaum, who  
14 is the attorney for UTC's regulatory staff.

15 It is very important that when we're considering these  
16 proposals that we hear from members of the public. And I want  
17 to say we appreciate very much that you have taken time out of  
18 your busy schedules to come down and share your thoughts with us  
19 because we take this matter very seriously. We want to make the  
20 best decision we can. And all the information we receive from  
21 you is important.

22 So with that, Commissioner Jones, any comments that  
23 you'd like to make?

24 COMMISSIONER JONES: Thank you, Chairman Danner.  
25 My name is Phillip Jones, I'm a Commissioner with the UTC. I'd

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1 just like to say welcome. We do take your comments seriously.  
2 We -- as Chairman Danner said, we get a lot of evidence from  
3 experts and the lawyers in the case but it is very important to  
4 hear from you, the users of electricity services of PacifiCorp.  
5 So I urge you to make your comments tonight. And I welcome --  
6 in this kind of a proceeding this is an adjudication so I really  
7 can't say all that much. I can't engage in dialogue with you  
8 but I do listen carefully. Thank you.

9 CHAIRMAN DANNER: Okay. Before we go into  
10 receiving comments that you would like to share with us tonight,  
11 we have a short video that we would like to present that  
12 describes the UTC's rate making process just so you'll  
13 understand fully the processes that we go through in making  
14 these determinations and that might inform the comments that you  
15 make for us tonight.

16 It looks like we will not be having the video tonight  
17 so instead I think I'll just briefly talk about the rate making  
18 process.

19 Basically there are no restrictions on how often a  
20 utility can request a rate increase. However, the company must  
21 prove to the Commission that it requires additional revenue to  
22 provide safe and reliable services.

23 The Commission looks at five main issues in a rate  
24 case, the cost to provide services based on 12 months of  
25 financial records, the company's total investment in equipment

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1 to provide service, the appropriate profit level the company  
2 should be allowed for its investments, the appropriate amount  
3 that each customer class, that is residential, commercial or  
4 industrial should pay, and the overall rate design. The two  
5 primary goals of rate design are to allow rates to match the  
6 company's required revenue to run its operations and allocate  
7 the costs to the appropriate customer group. Additional goals  
8 for rate design are to minimize complexity, stabilize costs by  
9 reducing uncertainty, encouraging utilities to minimize their  
10 costs and encouraging conservation and improving affordability  
11 for low income customers and also to encourage economic  
12 development.

13 So at this point I have a list of people who have  
14 signed in. For each of you, for all the people who are  
15 intending to speak tonight could I ask you to please stand so  
16 that I can swear you in because you'll need to swear.

17 (Chairman Danner swears in public speakers)

18 CHAIRMAN DANNER: So let's begin. Comments by  
19 Robert and Roberta Calvert.

20 MR. CALVERT: Not Roberta, just myself.

21 CHAIRMAN DANNER: All right. Thank you. Before  
22 you start, I want to ask you your name and your address, please.

23 MR. CALVERT: Robert Calvert, 521 Sisk, S-i-s-k,  
24 Road, Selah, Washington.

25 CHAIRMAN DANNER: Okay. And are you a customer

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1 of PacifiCorp?

2 MR. CALVERT: Yes, sir.

3 CHAIRMAN: Are you an employee or investor with  
4 the company?

5 MR. CALVERT: No, sir.

6 CHAIRMAN DANNER: All right. Thank you.

7 Proceed.

8 MR. CALVERT: I took my information off of the  
9 computer a couple days ago. And I appreciate your time and  
10 efforts as the Utilities Transportation Commission. I look at  
11 the -- Committee's looking at a 4.8 increase and of course the  
12 power company wants a 14.1. And I'll go through a couple other  
13 things.

14 Also, they were wanting six to 10 on a monthly charge  
15 increase for basic monthly charge. And the Commission is asking  
16 \$8.64. And also to go along with that, I think you have to  
17 consider at the end of every year I have what they call a  
18 maintenance, I run two 20 horse pumps. And it never -- if it  
19 runs or not it costs me -- I shouldn't put it that way. Once I  
20 shut down I get another monthly payment after that and it is  
21 \$800. And I'm a small man. So that's \$800 more out of my  
22 pocket. So if you add \$800 extra, to me that's real usage, for  
23 me that's just out of my pocket, and then if you add a 4.8  
24 percent on top of that and then you add \$8.64, I happen to have  
25 a house that's all I got with no lights on, so it is going to

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1 cost me that, so then I refer to your -- if you had \$110 bill it  
2 would be just an addition of 242, well, to me that's -- that  
3 doesn't fit what we're really trying to accomplish here. If you  
4 add in 4.8 and \$800 and the \$8.64 that's a big jump. And I  
5 don't know of any one that I know of right off that made a 4.8  
6 percent increase in their wages in the last year. I could be  
7 wrong. Maybe where you live it does. Maybe this company out of  
8 Portland that's what's the going rate. Out here I didn't see  
9 anybody making 4.8.

10 Then the power company itself increase requests cited  
11 higher costs for power production, investments and declining  
12 consumption. And I guess what I have to say to that is welcome  
13 to America. If you're in business that's part of business.  
14 And for a small person like myself to keep in business we have  
15 to cut our costs. And every time the power company hits me it's  
16 out of my pocket, period. Especially like the \$800. It's just  
17 gone. I didn't get any usage out of it. And they're calling it  
18 a maintenance. \$800. I have had them come to remove a pull  
19 back or forward or whatever it would take. I have had them come  
20 investigate it two or three times. It is about to fall into the  
21 creek and I was basically told when it falls you let me know and  
22 we'll fix it. I said well, wouldn't you want to do that prior  
23 to the falling? I said I have cattle so if it kills 100 head of  
24 cattle standing in a creek. That's no problem. We'll pay for  
25 the cattle. It is just we're not going to move the pole. We'll



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1 let it fall and then reset it. I have a slight problem with  
2 paying a maintenance when I can't get maintenance done. And I  
3 give them credit. Blew a transformer, they came right out,  
4 fixed the transformer. So you got to give them credit also on  
5 the other hand.

6 Also, I know you can't answer my question if I ask you  
7 one, but something, and I know you mentioned it earlier in your  
8 -- it was going to be in your film earlier, but I'd like to  
9 really know and I put my name down to have something mailed to  
10 me, give me an estimate, not an estimate, what is their net  
11 income? What is their net income? You know, it would be really  
12 nice to know how many millions they're making off of us. And I  
13 understood your -- the last paper that you read from said  
14 something like they got to make a profit. Well, in America  
15 there's no such thing. You either make or break. And I guess  
16 if they didn't make it on what they're getting, the Portland  
17 based electrical company, then maybe somebody else should come  
18 in. I thank you for your time.

19 CHAIRMAN DANNER: Thank you very much, Mr.  
20 Calvert.

21 All right. Art Berger.

22 MR. BERGER: Thank you for allowing us to air our  
23 views on this important matter. My name is Art Berger, I reside  
24 at 311 Weems Way in Selah. I am also the end result of seed  
25 that 10 separate meters in our businesses, the revenue generated

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1 that's paid for. So that's my obligation. And six of those are  
2 PP and L, others are different carriers.

3 I have studied on this proposed increase and have  
4 written down my conclusions, which I will read with your  
5 allowance.

6 CHAIRMAN DANNER: Please proceed.

7 MR. BERGER: MidAmerican Energy Holdings Company  
8 owns PacifiCorp, which is Pacific Power and Light. 89.9 percent  
9 of MidAmerican Energy Holdings is owned by Berkshire Hathaway,  
10 namely Chairman Warren Buffett, who is rated by most reports as  
11 the second richest gentleman in the entire United States.

12 PacifiCorp did \$4,950,000,000 billion in revenues in 2012.  
13 Their earnings on this were reported as being \$737,000,000  
14 million. In 2012 their revenues increased seven percent over  
15 the revenue generated in 2011. The increase was primarily due  
16 to higher retail revenues of 244 million, which were due to  
17 higher prices approved by regulators such as you folks. Across  
18 most of PacifiCorp's jurisdictions in 2010, 2011 and 2012 their  
19 earnings averaged 16.24 percent of their gross. In addition,  
20 PacifiCorp was allowed by regulators such as you to charge us,  
21 the customer, a bill assistance program. This costs from \$1.30  
22 up to \$31.77 cents per month on our six Pacific Power bills.  
23 This is proposed as charity to help out individuals who are not  
24 able to pay. I am not opposed to charity. However, I think I  
25 should be able to select the charity I am contributing to.

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1 Neither Benton County, PUD, Avista or Grant County has this  
2 charge.

3 I witnessed an existing transformer being switched to  
4 a new pole from a fallen pole at my neighbor's house that  
5 happened to be my son and his family's residence. Pacific Power  
6 started at 6 p.m. There was up to five trucks coming and going.  
7 There was always one truck on site. Power was finally turned on  
8 at 7 a.m. the next morning. I observed this closely as my power  
9 to my home was also off during this period of time. It would be  
10 my sincere recommendation that they should monitor their staff's  
11 productivity if 16.24 percent earning is inadequate.

12 In closing, I feel any raise would be unjustified  
13 unless you own Berkshire stock, which closed at \$175,505 per  
14 share last week. It went up some today. I thank you.

15 CHAIRMAN DANNER: Thank you, Mr. Berkshire.

16 All right. Bill Clements signed up. Not wishing to speak?

17 MR. CLEMENTS: No.

18 CHAIRMAN DANNER: This name I cannot -- says

19 Louise --

20 MS. SCHNEIDER: Schneider.

21 CHAIRMAN DANNER: Can you first tell us --

22 MS. SCHNEIDER: 160 Fink Road, Selah, Washington.

23 CHAIRMAN DANNER: Are you a customer of

24 PacifiCorp?

25 MS. SCHNEIDER: Unfortunately you bet I am. I

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1 have six accounts. Anyway, we have an irrigated hay and cattle  
2 ranch and every month we are paying a demand charge, I thought  
3 it was just the end of the year but I have been looking over the  
4 bills but I see it is more than just the end of the year. And I  
5 called today to find out exactly about the demand charge and I'm  
6 not really sure, even though I talked to somebody that was very  
7 nice. But it still left me unclear. Can you tell me about  
8 that?

9 CHAIRMAN DANNER: Actually, the way we run these  
10 hearings is that we don't have a give and take. So I will not  
11 -- I have to decline to answer your questions. But there are  
12 people here from both the Office of Public Counsel and from the  
13 company and they can answer your questions.

14 MS. SCHNEIDER: Well, I also had a question as to  
15 when the last raise was and how much it was. So you can't tell  
16 me that either?

17 CHAIRMAN DANNER: 2011.

18 COMMISSIONER JONES: It was 2011.

19 MS. SCHNEIDER: The amount?

20 CHAIRMAN DANNER: It went into effect in 2012.

21 MS. WALLACE: It was \$4.5 million, which was less  
22 than one percent, 1.5 percent.

23 MS. SCHNEIDER: It is costly to run a cattle  
24 ranch with continual increases which you have no control of.  
25 If we were to buy something necessary for our production we can

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1 pay whatever is necessary or not purchase the product or we can  
2 shop some place else, but not with Pacific Power, we're stuck.  
3 And there's just no place else to shop. I actually am  
4 considering solar for a whole but we have a whole bunch of  
5 pumps. And I think solar, wind in our valley, the Wenas valley,  
6 would be easy because there's lots of wind and there's lots of  
7 sun. So that's actually all I have to say except I'm definitely  
8 against this increase. Thanks. That's it.

9 CHAIRMAN DANNER: All right. Thank you, Ms.  
10 Schneider.

11 Gordon Martin. State your address.

12 MR. MARTIN: My name is Gordon Martin and I live  
13 at 9000 Roza Hill Drive, Yakima, Washington, 98901.

14 CHAIRMAN DANNER: And you're a customer of  
15 PacifiCorp?

16 MR. MARTIN: Yes, I am. And as you mentioned  
17 earlier, we're a captive audience. We have no other recourse  
18 for our electricity but Pacific Power. And I have been fairly  
19 happy with their service. I had a transformer, it wasn't a  
20 transformer, it was just a little thing that went wrong one time  
21 and we lost power. They came out rather quickly, like within a  
22 half-hour, which is great. The thing is, they sent two trucks.  
23 One guy in each truck. Now to me to run two trucks is a lot  
24 more expensive than to run one truck with two guys. And only  
25 one guy did any work. The other guy just stood and joked with

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1 him and, you know, kind of again joked with him and called him  
2 all kinds of names and stuff like that. He didn't do any work  
3 at all. So that's quite an expense. I think that's one of the  
4 things you're talking about, you need money for equipment and  
5 things like that. But it is just like all government agencies,  
6 and you're not a government agency but you're kind of like one,  
7 and they just seem to feel that the money that they get from us  
8 is theirs and they can do anything they want with it and they  
9 don't have to conserve. And we have to conserve.

10           And another thing, you advertise on TV about 10 times  
11 a day or more. We don't watch much TV but I see those  
12 advertisements all the time. That must cost millions of dollars  
13 to advertise. And then you advertise. The advertisement says  
14 cut back on your power. And then your proposal in here one of  
15 the reasons that you want more money is because we're doing what  
16 you want us to do, cut down on our power so then you want to  
17 make us to pay for that because we conserve. That doesn't make  
18 any sense. Stop doing the advertising.

19           And another thing. I read in the paper that you gave  
20 one of the companies here in Yakima over a million dollars to  
21 retrofit their company. You didn't give me anything to retrofit  
22 my house. Why in the world do you spend that kind of money?  
23 You know, you don't give it to us. All we get every year is  
24 more and more, you know, bigger, bigger bills. That's all we  
25 ever get. So you know, we have to use less than maybe you

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1 should learn to use less. You know, like better trucks or less  
2 trucks, less equipment. You don't need two people. Just like  
3 the other fellow was saying, there was seven guys came out to  
4 put up a pole or seven trucks or whatever. My goodness, I mean,  
5 if you contracted with a private company they'd probably have  
6 that pole down and up in about four hours and it would only take  
7 two or three people maybe if that. Yet you send out a whole  
8 Army just to take care of one pole. And like the other guy said  
9 too that, you know, you're waiting for the thing to fall down  
10 before you fix it. Well, you're not just, you know, that's  
11 ludicrous really. I mean, nobody should work that way. The  
12 government works that way. They could care less. So that's  
13 about all I have to say.

14 I don't think we should get any rates myself. I mean,  
15 the lesser one in your proposal wouldn't be that bad but that's  
16 still four percent. And, you know, we're on social security and  
17 fixed income. We don't get a four percent a year increase.  
18 Never have. Ever since we have been on it. We're on small  
19 pensions getting no increase, yet everything goes up. And yet  
20 you hear in the paper where or you read and hear in the news  
21 that there's no inflation. Yet everything you buy is probably  
22 twice as much as it was two or three years ago. So I'm totally  
23 against this proposal and I hope you listen to some of the  
24 people here who said they don't need this money. They need to  
25 live on what they have. We live on what we have. We don't get

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1 an increase. And if you're making 16 percent on your investment  
2 that's a pretty darn good investment in today's economy. You  
3 should be able to learn to live with it. Thank you.

4 CHAIRMAN DANNER: Thank you, Mr. Martin.

5 CHAIRMAN DANNER: John Klingele. Did I  
6 pronounce that right?

7 MR. KLINGELE: Yes.

8 CHAIRMAN DANNER: State your address.

9 MR. KLINGELE: My name is John Klingele.  
10 1312 West Walnut Street and I am a customer. I used to sit in  
11 one of those chairs as a city council member. I am a customer  
12 of Pacific Power and I don't own stock in Pacific Power but I do  
13 hassle them occasionally because I serve on the integrated  
14 resource committee. I noticed this last go round for that plan  
15 that staff from the utilities commission has occasionally  
16 attended those meetings and even a state legislature has  
17 attended those meetings by phone, which was kind of nice.

18 A number of comments are about rates. And one of the  
19 things -- I'm probably going to be more philosophical than most  
20 of the others -- but one of the things about the raise of the  
21 basic charge from six to \$10 especially for residential  
22 customers is that it -- it keeps the cost per kilowatt down  
23 because you're shoveling that cost to that basic charge. There  
24 are utilities in this state that charge \$20 for that first  
25 kilowatt hour. But I don't support that either.



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1           But there are reasons for some of that. And I would  
2 prefer seeing a greater rate per kilowatt hour rather than that  
3 basic charge, which hits the poor the most first because  
4 everyone pays that whether they use a lot of power or not.

5           I note that Pacific Power has invested in their  
6 system, throughout their system. For instance, here in Yakima  
7 they have replaced the lines and poles and such from Union Gap  
8 up through this part of town. Those lines and such were  
9 originally installed back about 1961 or so, so they were due for  
10 replacement. They increased the wire size in order to meet the  
11 increased demand that has occurred over time. I was thrilled in  
12 the past to see a substation a few weeks ago and noted that they  
13 had replaced that 1930's aerial transformer. That was something  
14 new. They had replaced some of their transformers in the Walla  
15 Walla area so they can meet that demand. Now there's still more  
16 demand if they need to replace or add a couple more transformers  
17 in the Walla Walla area to serve that load. I see one  
18 substation where the transformer cooling fans are locked on all  
19 summer in order to keep the transformers cooling off instead of  
20 having them come on and off as the weather could require just  
21 because they're loaded so heavily.

22           I would also like to see the Walla Walla central  
23 substation which has been there for over 100 years rebuilt and  
24 serve the downtown Walla Walla area better.

25           So Pacific Power has invested in their system and are

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1 going to be investing in their system probably to meet the  
2 requirements of the North American Reliability I think they call  
3 it council now. So that will require more investment.

4 One of the things that's an issue is the power  
5 purchase agreements. Now utilities commission staff has been at  
6 those meetings when those power purchase agreements have been  
7 talked to and the staff has made no comment. I'd prefer to see  
8 more of Pacific's future not in power purchase agreements but in  
9 generating for themselves. With power purchase agreements  
10 you're purchasing usually at the peak loads when you have the  
11 peak prices. And I see that the comments by the rate, the  
12 general counsel here, that it has been about \$10.7 million. And  
13 I'd like to see more from their own generation than having to  
14 purchase it.

15 One of the things that Mr. Chairman commented about  
16 was rate design. I see pressure right now for utilities to go  
17 to a time of use rate design. And I am very opposed to that as  
18 that was demonstrated just a decade ago in Puget Power's service  
19 area that folks don't pay attention to that. And when you  
20 consider that so many people in lower incomes are doing the even  
21 pay kinds of plans where they pay the same amount each month,  
22 they would not see that change from month to month in their  
23 habits. Now if their habits made a difference. So you end up  
24 with two opposing philosophies as far as rates go, one that says  
25 you should be seeing a change in your bill by the way you act

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1 and you have another that says we don't have changes in our bill  
2 so we can be more evenly billed. And I see that that is  
3 something to watch for in the future.

4 Had a number of comments about how many folks show up  
5 at sites for construction. And part of that I see is safety  
6 rules and union contracts that Pacific Power has to abide by.

7 So there's some things that I like about Pacific Power  
8 and some things that I hassle with them about. I'd like to see  
9 the staff attend more meetings and make comments known to  
10 reflect the ideas that you have and philosophies to make those  
11 rates simple and easy to understand in instead of being more  
12 complex as one of the things. That's what I have for right now.  
13 And I am glad to see Pacific Power doing some construction in  
14 their system because when Scottish Power owned them the promise  
15 was not to raise rates and one of the things they did when they  
16 didn't raise rates was to work on their system. And I see even  
17 still power poles that need to be replacing, a lot of broken  
18 cross arms and some insulators that need replacement because  
19 they're arcing, so there's a lot of work that they need to do  
20 and it will all cost money. And we have to pay for it one way  
21 or the another. Thank you.

22 CHAIRMAN DANNER: All right. Thank you, Mr.  
23 Klingele.

24 MaryAnn Tobia, you have signed up and you're saying you may  
25 or may not.

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1 MS. TOBIA: Yes, I will. My name is MaryAnn  
2 Tobia and I live at 5504 Castle Mountain Court, Yakima,  
3 Washington. And I have been a power user from Pacific Power for  
4 65 years, so I have had a long history with you.

5 As I lived here in Yakima now for quite a while I find  
6 that none of the other utilities are asking for these huge  
7 increases. That's, you know, a lot of people are on fixed  
8 incomes so this is a big increase. I mean, and it seems like  
9 you said that the last increase was in 2012. Well, here it is,  
10 it will be taking effect in 2013, so that's, you know, less than  
11 a year and a half or so between the two increases.

12 The other thing I want to comment is if I have to see  
13 another one of those commercials, ridiculous, insulting my  
14 intelligence commercials, save that money and use it to upgrade  
15 the system. That's where the money should be going. We have no  
16 other choice so who are you trying to sell the power to? I  
17 don't understand that part. I just -- every time he goes to  
18 pour some water into somebody's glass I want to kick the TV.  
19 So please remove those from your system. That would do me a lot  
20 of good. Thank you.

21 CHAIRMAN DANNER: All right.

22 COMMISSIONER JONES: I urge to you to talk with  
23 Ms. Gafken and Mr. Cedarbaum about how advertising expenses are  
24 handled in the rate case.

25 CHAIRMAN DANNER: Jerome Parmentier.

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1                   MR. PARMENTIER: Jerome Parmentier, 3301  
2 Summitview Avenue, Yakima, 98902. And yes, I am a rate payer.  
3 I am but a simple homeowner so most of my expenses go into air  
4 conditioning. Over the years I have done to the home things to  
5 improve its efficiency, mostly for my benefit, not for Pacific  
6 Power's. I'm sorry. I don't have the necessary educated  
7 comments that others here have provided. Thank you. I was  
8 impressed with your comments. But I can say this, an increase  
9 in the base charge is unreasonable. Any increase in base  
10 charge. You're going from a \$72 a year base to \$120 a year  
11 base. I don't see how that is justified. I also have a problem  
12 with being told, and this has been said outside here today, that  
13 we are to pay for decreases in revenue from overall loads.  
14 Roughly translated to me uneducated in the power business that  
15 because I have decided to insulate my home or use LED lights or  
16 turn off my lights or change how I air condition that because  
17 I'm making those decisions to decrease my bill intentionally  
18 that I now have to participate in re-compensating the utility  
19 for the lack of the load across myself and the rest of us that  
20 have made these intelligent choices.

21                   I also have perceived things, so I'm going to operate  
22 only on perception only. But since the ownership of Pacific  
23 Power has changed we have basically seen a rate increase  
24 proposal once a year since then. That is perception. I'm not  
25 certain if it is exactly once a year or every 16 or 18 months

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1 but that has actually been occurring. Every one of the little  
2 blue notices we get we're looking at somewhere between a 15 to  
3 20 percent proposed increase every time. And it is also my  
4 perception looking back at a handful of my bills over the years  
5 and I'm one of those weird those people that keeps my paperwork  
6 around. We have watched our basic rate go from somewhere around  
7 four and a half cents a kilowatt hour right now to over six  
8 cents a kilowatt. And I can't speak to the folks that are  
9 running three phase and pumps and things like that, I'm only  
10 speaking for those of us that are simple homeowners.

11 I know where Pacific Power is going with this. They  
12 want 10 cent plus kilowatt hour rates. And out in the Pacific  
13 Northwest I don't live in a bubble. I have on my handy dandy  
14 phone here decided to look at Grant County PUD and I have  
15 friends and neighbors in Grant County and looking at their 2012  
16 fact sheet their average cost for residential rate payers was  
17 4.306 a kilowatt hour. I wish I could buy my power from Grant  
18 County right now but because I can't and I still live within a  
19 few hundred miles of those folks I can't hope but wonder why  
20 they get off with such a more competitive rate. And yes, I know  
21 they're a public utility and yet that same rate structure is not  
22 expected to even be competitive with a privately owned utility.

23 As a rate payer, homeowner and private citizen I  
24 couldn't care less how much the stockholders get paid. That's  
25 not my responsibility. Thank you.

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1                   CHAIRMAN DANNER: Thank you, Mr. Parmentier.  
2    Okay. There are two other people who have signed up but are not  
3    going to testify. Is there anyone else here who wishes to make  
4    a statement or share some comments with us this evening?

5                   MS. FEUSNER: I would like to say something.  
6    Just make one comment here. Only take me a minute. Fran  
7    Feusner, I live at 1680 North Wenas. I'm a Dave Ramsey fan.  
8    What I think is you all need Dave Ramsey. You need to follow  
9    his principals and his logic on learning how to spend wisely and  
10   live in your means. And what I hear tonight we have excellent  
11   people here that said excellent things and facts and they're all  
12   very true. Especially I can't -- I'd like to repeat everything  
13   said but it is great and the bottom line would be live like Dave  
14   Ramsey, live with his ideals of saving money and learning how to  
15   live within your means and not be charging us outrageous things  
16   we can't afford anymore. It is just plain and simple.

17                  I follow Dave Ramsey and that's the way to get out of debt  
18   and stay out of debt and live your life like that. And this is  
19   all government needs to do that. Washington D.C. needs Dave  
20   Ramsey ideals. Believe me, so all government needs that.

21                  CHAIRMAN DANNER: Thank you very much. Okay. I  
22   believe then that that concludes the comments that we will take  
23   tonight. Again, I apologize that we did not get to show you the  
24   video. We are still -- for people who couldn't make it tonight  
25   who might be watching on television we are still going to

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1 receive comments from people who would like to share them. You  
2 can do that by mail by contacting the UTC at P.O. Box 47250  
3 Olympia, Washington, 98504. And please reference docket number  
4 UE-130043. You can also do it by e-mail. Send your comments to  
5 comments@utc.wa.gov. You may also submit your comments by  
6 telephone by dialing toll free number 888-333-9882. And you can  
7 do that between eight and five weekdays.

8           So with that I think we -- unless there's anything  
9 else to come before the Commission --

10           MR. MARTIN: How long do we have to comment if we  
11 want to comment?

12           CHAIRMAN DANNER: Mr. Guchi (phonetic), are you  
13 still with us?

14           MR. GUCHI: I think that's up until the  
15 evidentiary hearing.

16           CHAIRMAN DANNER: Okay. That's --

17           COMMISSIONER JONES: August 24th.

18           CHAIRMAN DANNER: So you have up until August  
19 24th. The Commission will be making a decision on this case by  
20 December 11th. By law we have to complete cases within 11  
21 months of their filing, so that would be December 11. So we  
22 should have a decision out before then. All right.  
23 If there's nothing else come before us this evening then we are  
24 adjourned.

25           MS. GAFKEN: The hearing actually starts on



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1 August 26.

2 CHAIRMAN DANNER: Excuse me. Thank you. The  
3 hearing starts on August 26 so we can take comments up to that  
4 point. Thank you very much. We're adjourned.

5 (The proceedings concluded at 6:45 p.m.)

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I, Jori L. Moore, a Certified Court Reporter, in and for the State of Washington, do hereby certify that the foregoing transcript of the Rate Increase Hearing on July 15, 2013, is true and accurate to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF, I have hereunto set my hand this 29th day of July, 2013.

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Jori L. Moore, CCR, RPR