

Robert Kahn, NIPPC Testimony
Washington Utilities and Transportation Commission
UE-161123
Puget Sound Energy / Microsoft Retail Wheeling Docket

May 3, 2017

From transcript at conclusion of three-hour hearing:

MR. KAHN: Robert Kahn, Northwest & Intermountain Power Producers Coalition (NIPPC). First of all, I also want to just chime in and say that a lot of effort has gone into this docket, and I'm sure you [commissioners] will reach a satisfactory conclusion. We, speaking for NIPPC, appreciate the opportunity to have had a chance to add value to this proceeding. And in part, it was with anticipation that the experience that everyone in the room has undergone could well be replicated.

There is a pent-up demand on the part of Corporate America to, number one, show commitment to reducing the carbon footprint of their operations and also to stay competitive and to only pay as much for electricity as is required.

The market offers multiple opportunities to achieve both objectives, and we've seen as recently as last month in Oregon an expression of genuine interest for some action to be taken by that state [legislature]. ...The advantage Washington has is Schedule 448 and 449, which is on the borderline of ancient history, does demonstrate a successful program which I frankly think the State should be proud. Now, having said that, it's my observation that the conversation here today suggests there are lots of complexities and lots of valid questions, which will be resolved and I think are close to being resolved in the form of a settlement among all the parties here.

But let's just say, not every company is Microsoft. And so as we would expect from Microsoft, we're pleased to see them be the leading edge of what I'm referring to on the part of other corporations and businesses in this state to follow suit in some way.

Clearly stakeholders are going to have, as we do, as you will, a primary concern that existing ratepayers be held harmless. And I would argue that existing ratepayers may well do better. The timing is important I think insofar as the lessons learned should be applied fresh and as alluded to just moments ago, the future planning by Puget in particular... investments they may make to replace capacity at Colstrip shouldn't trip up, if you will, the opportunities of businesses to go and assume this responsibility themselves.

In other words, let's not create stranded assets when we don't need to, okay? So there is timeliness, there is a demand, there is proof positive, I think, that ratepayers can benefit and be held harmless, and obviously there is a demand and interest from businesses.

Beyond that, we're here to say we're glad we participated, and we will be actively participating in whatever Staff decides as a procedural matter for considering this important topic of direct access and consumer choice.

CHAIRMAN DANNER: So is it necessary that we make that decision in the context of this order or is that something we can just do in our usual course of business?

MR. KAHN: I think -- well, I will leave it to Staff, but the nature of this settlement did not in the end include such a commitment. We're comfortable with that.

CHAIRMAN DANNER: Okay. So insofar as this settlement is nonprecedential, it's -- it actually could be a little precedential? No response. All right.

Hearing concludes.