Resolution to the Utilities and Transportation Commission Opposing Puget Sound Energy's Proposed 30% Electrical Rate Increase Over Three Years

WHEREAS, Puget Sound Energy (PSE) has already raised electrical rates by roughly 20% over the past two years, meaning the proposed 30% increase would result in a cumulative 50% rise for residential customers within a four to fiveyear period; and

WHEREAS, the Olympia City Council recognizes that PSE must invest in renewable energy, transmission upgrades, and grid modernization to comply with Washington's Climate Commitment Act, and acknowledges these expenditures benefit the public and warrant careful evaluation; and

WHEREAS, the Council finds it inequitable for residential customers—especially lowincome households, seniors, and working families—to bear costs associated primarily with large commercial and industrial energy users; and

WHEREAS, reliance on naturalgas "peaker plants" to meet peak demand is neither preferable nor aligned with longterm climate goals, and expanded peak demand risks prolonging fossilfuel dependence; and

WHEREAS, the Council affirms that Washington's cleanenergy transition must be fair and protective of residential ratepayers, and that extraordinary new commercial energy demand should be paid for by the industries that generate it; and

WHEREAS, Washington Attorney General Nick Brown has challenged PSE's proposed 29% electric and 20% gas rate hikes as excessive and inconsistent with state requirements that rates be "fair, just, and reasonable"; and

WHEREAS, expert testimony from the Attorney General's Public Counsel Unit shows PSE could reduce customer costs by as much as $695 million in 2027 by lowering its return on equity, requiring shareholders—not ratepayers—to cover expenses such as executive compensation, insurance, investor relations, and lobbying, and by more accurately estimating future costs; and

WHEREAS, PSE's proposal would raise the average household's electric bill by $606.96 per year and gas bill by $263.52 per year by 2029, on top of rate increases that nearly doubled electric rates between 2020 and 2025; and

WHEREAS, PSE paid $175.9 million in dividends in 2024 and $62.9 million in 2025, and currently directs roughly 12% of electric bills and 11% of gas bills toward investor returns, raising concerns about shifting additional costs onto ratepayers; and

WHEREAS, the Attorney General warns that PSE's plan to shift 100% of powermarket volatility risk onto customers—without estimating the potential cost—would expose households to unpredictable price spikes; and

WHEREAS, more than 30% of households in PSE's service area are housingburdened, and high utility prices correlate with increased evictions, underscoring the need to prevent unnecessary or inequitable rate increases;

THEREFORE BE IT RESOLVED, that the Olympia City Council opposes PSE's proposed 30% electrical rate increase as currently structured, on the grounds that it places an undue burden on residential customers;

BE IT FURTHER RESOLVED, that the Council urges PSE to prioritize cleanenergy investments that reduce reliance on naturalgas peaker plants and accelerate the transition to renewable, reliable, and affordable energy sources;

BE IT FINALLY RESOLVED, that the Olympia City Council commits to working with regional partners, state agencies, and community stakeholders to ensure Washington's cleanenergy future protects residential ratepayers, advances climate goals, and holds large commercial energy users accountable for the costs associated with their expansion.