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January 13, 2022

Washington State Legislature

ATTN: Senate Environment, Energy, and Technology Committee 416 Sid Snyder Ave SW Olympia, WA 98504

RE: NWGA Comments Concerning SB 5722

Mr. Chair and Members of the Committee,

For the record, my name is Dan Kirschner. I am the Executive Director of the Northwest Gas Association representing the interests of the four gas distribution and two gas transmission companies that deliver energy to 3 million Washington residents and more than 100,000 Washington business, institutions and industries,

The NWGA is opposed to SB 5722. While we have several substantive concerns with the bill, we find ourselves unwilling to address them because the procedural threshold is too high to cross. What do I mean by that?

- 1) The Legislature has passed a number of major policy initiatives in the last three years designed to take aggressive climate action. We have been involved in the development of some of those initiatives including this bill's predecessor, HB 1257 passed in 2019 and the Climate Commitment Act passed in 2021. We MUST allow those policies to be implemented. Indeed, our efforts should be focused on effective execution of existing policies BEFORE piling on a number of new mandates.
- 2) When HB 1084 failed last year, we were strongly encouraged by key legislative leaders including Chairman Carlyle to find accommodation with other stakeholders. We took up that challenge and engaged with others to develop proviso language directing the UTC to examine the impact of decarbonization on gas and electric consumers and utilities. We did so sincerely and in good faith with the implicit understanding that the UTC's examination would inform future decarbonization policy. In other words, we had a deal. That deal was implicit throughout the negotiations. This bill and others in the building decarbonization package are a violation of that implicit agreement. Some may protest that there was no deal but we know the truth.

For these procedural reasons, along with a number of substantive reasons, the NWGA opposes SB 5722 and recommends a no vote.

Thank you for your time and attention.

Sincerely,

DAN S. KIRSCHNER Executive Director