



Energy mandate backers said prices would go down. They went up.

By **Todd Myers**

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In the words of John Travolta in Pulp Fiction, “it’s the little differences” that stand out in public policy debates.

For example, Nancy Hirsh, executive director of the NW Energy Coalition had a piece in the Spokesman-Review last weekend where she reiterates claims made in their flawed study on the Snake River dams from last month. As part of her response to my critique, where I noted the cost of replacing the dams would be higher than they claimed, she also tried to undermine my credibility. In her piece, she noted that in 2006 I said that Initiative 937, which forces Washington residents to buy expensive renewable electricity, would “cause our utility bills to double.” She goes on to claim, “Instead, in the years after we passed I-937, utility rates grew at less than the rate of inflation.” Why trust Todd, she implies, when my history of prediction is so poor?

There’s a problem. Her quote is close, but there is a little difference with what I actually said. The full quote is, “energy costs will double by 2020,” emphasis added. Her deliberate omission isn’t an accident. Indeed, my full quote is on her own NW Energy Coalition web page.

I’m not the only one who made a prediction. The groups pushing 937, like the NW Energy Coalition, claimed I-937 would, “save us energy and money,” even claiming, “consumers would see annual savings on electric bills under I-937 beginning in 2014.”

Even though we aren’t yet to 2020, we can determine who has been more accurate. It isn’t even close.

Since 2007, Seattle’s residential electricity rates have, in fact, doubled, two years before my 2020 deadline.

In Spokane, Avista has done better at keeping residential rates down, where costs have increased by about 65 percent. Avista’s rates may not quite double by 2020, but my projection is far more accurate than the wildly inaccurate claim that costs would decline.

Hirsh also claimed, “in the years after we passed I-937, utility rates grew at less than the rate of inflation.” She is vague about how many “years” she is thinking of.

To test her claim, let’s assume she is thinking of the first five years, from 2007 through 2012. Inflation during that time was 11 percent, while Washington’s residential electricity rates grew at 21 percent according to the Energy Information Administration. Her claim is simply false. It is also false if we use four years or even three years.

Indeed, looking only at the few years after I-937 passed is even more misleading because the first renewable target, and the upward price pressure associated with it, didn’t occur until 2012.

Of course, any analysis or prediction (including mine) that covers the period of 2008-2011 is going to be affected by the Great Recession. Even with the significant decrease in energy demand, which put downward pressure on prices, electricity prices still increased faster than inflation.

Now that the economy is growing, price increases are accelerating. Inflation between 2014 and 2016 was only

one percent, yet Washington's residential electricity rates jumped 10 percent during that time. One reason may be that 2016 was the deadline for the next, and more stringent, increment of renewable energy requirements imposed under I-937.

Playing games with the little, but important, details is what got the NW Energy Coalition in trouble with its initial study on the Snake River dams. In her attempt to defend that flawed study, Ms. Hirsh plays new games, hiding the timeline of my prediction and making a vague counterclaim (that still turns out to be wrong) and covers the period before I-937s requirements took effect.



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