

Why Public Power?



WHY PUBLIC POWER MAKES SENSE FOR BAINBRIDGE

Opportunities With Public Power



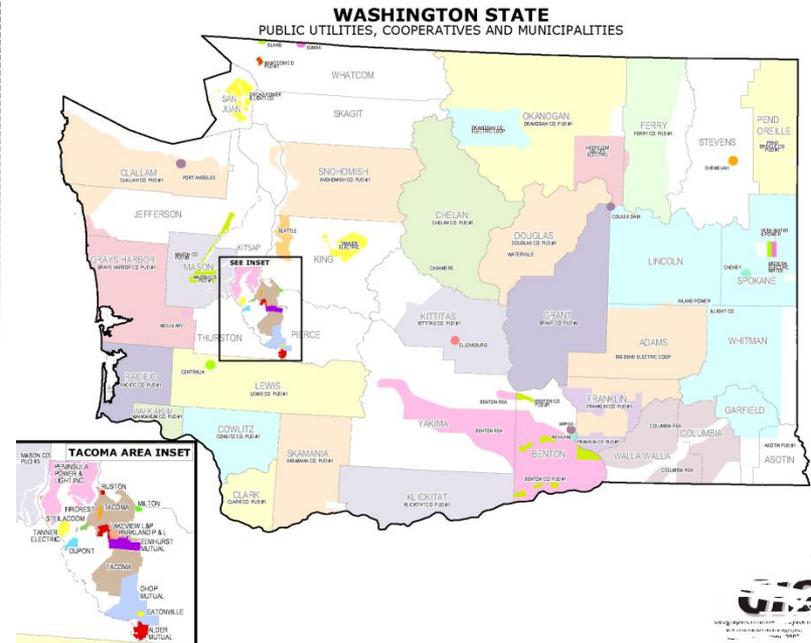
- **Climate Change:** Get off coal and carbon now!
- **Economics:** \$25 million leaves the island every year, with public power \$8 million dollars, and 25 new jobs, stay here
- **Increased Reliability:** Public power will bring Island Based Crews, Undergrounding
- **Local control:** Islanders will decide transmission, reliability, power supply and other issues

Who should we trust with our future?

Public Power in Washington State



- 62 Public Power Utilities
- 55 percent of Washington customers are served by public power
- 70 percent of the state land area is served by public power
- Publics rely on *Mutual Aid Agreements*

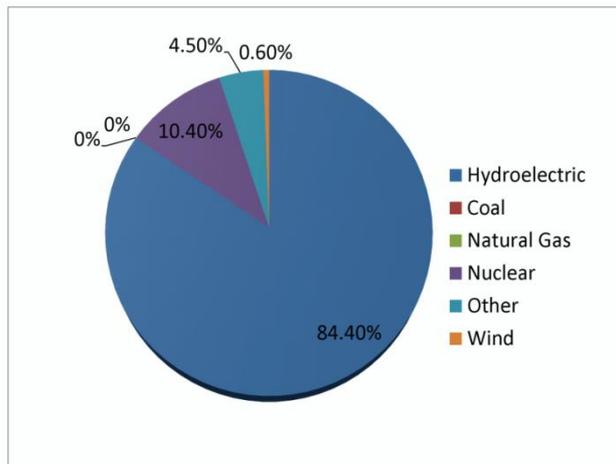


Some Comparisons: Fuel Source



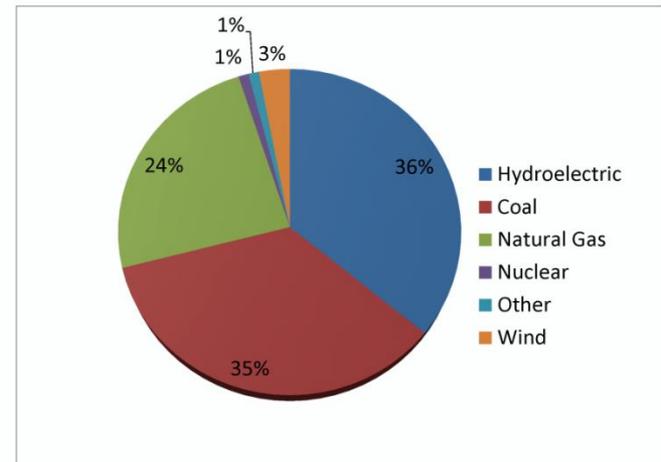
Bonneville Power Administration

97% Carbon Free Power



PSE- Macquarie Capital

59% Fossil Fuel



More Comparisons: Main Power Sources



BPA *Tier One* Power will
be New Renewable Power



PSE
Colstrip Coal Plant



Comparisons: Ownership



Bainbridge Electric Board

City of Bainbridge Island



PSE Macquarie Capital Sydney Australia



What are the Risks?



- **Risks With Bainbridge Electric Board?**
 - “Business Failure?” Record of 62 other publics?
 - “Credit Rating ?” COBI Currently *Aa2
 - “Decisions Made Locally?” *Bainbridge Electric Board*

- **Risks With PSE / Macquarie Capital?**
 - Miss Out on “Tier One” BPA power
 - “Coal Plant Retirement” costs, \$200 Million plus
 - “Credit rating?” (Macquarie Capital) *Baa3
 - “Carbon Tax Risk” On Going

This is about Bainbridge's Future



- **Public Broadband Communications?**

“The fastest single broadband location in the nation with a download speed of 85.5 Mbps”

Grant PUD, Ephrata WA,

Smart Grid Technology

- **Meet Load Growth with local renewables and energy efficiency**
- **Electrifying Transportation? Electric Cars? Electric Ferry's ?**

Thank You!
Questions?



ISLAND POWER
HTTP://WWW.ISLAND-
POWER.ORG/

PSE Owner Since 2009

Macquarie Capital Sydney Australia



“The company's high margins, profits and the lucrative rewards for its executives and shareholders saw the Australian media label the bank "The Millionaire Factory" *The Sydney Morning Herald. 2012*

Nicholas W. Moore, CEO

(PSE is owned by Puget Energy, which is owned by Puget Holdings, which is owned by a set of foreign company's organized by Macquarie)

PSE Macquarie sale in 2008 or \$7.4 billion

Moodys Baa3 rating

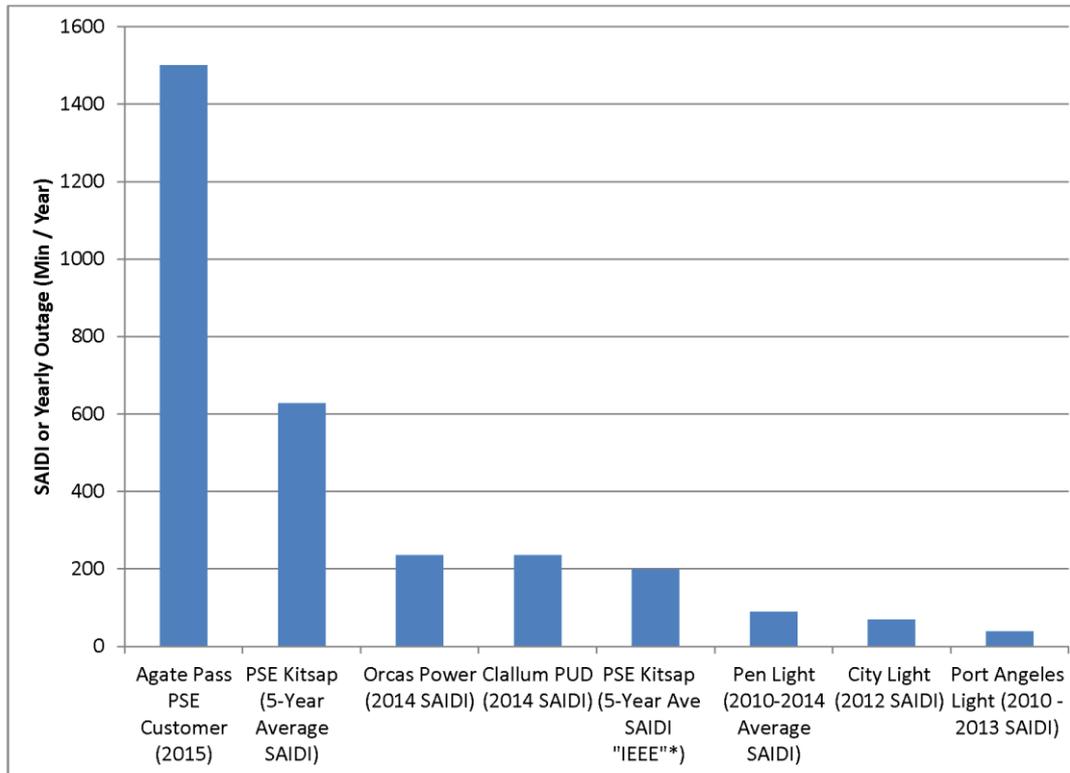


More Comparisons: Power Bill



Utility	# Customers	% Underground	# Employees	Power Bill* (1500 kWh)	Broadband Telecom
PSE (Bainbridge)	8,000	>8%	1	\$158.42	No
Jefferson PUD	16,381	8%	35	\$151.00	Yes
Clallam PUD	29,829	55%	139	\$132.23	Yes
Port Angeles Light	10,410	30%	35	\$128.18	Yes
Pen Light (Gig Harbor)	27,236	72%	88	\$122.00	No
Pacific PUD (Raymond)	17,020	66%	56	\$113.00	Yes

More Comparisons: Reliability (Average Outage Minutes Per Year)



The Municipalization Study Should Include:

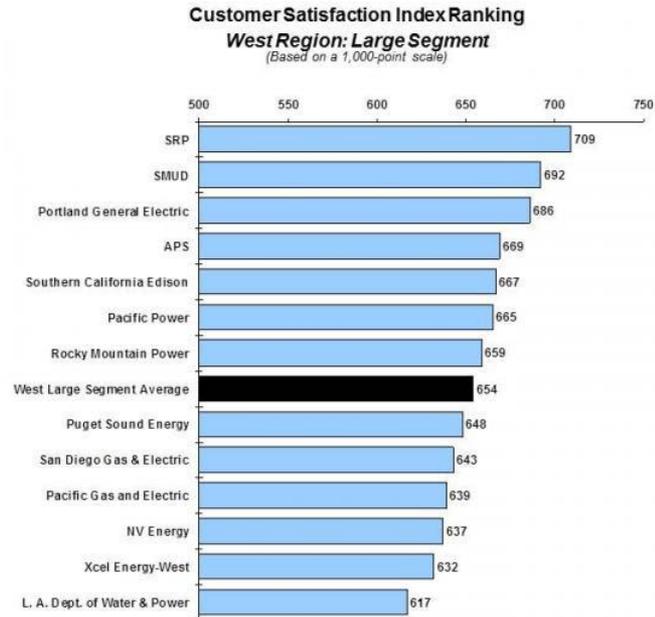


- **The Business Case:** Project Rates/Bills for PSE and BEB, and *Compare with Current Publics*
- **The Environmental Case:** Project for PSE vs. BEB, and *Compare with Current Publics*
- **Reliability:** Project for PSE vs. BEB and *Compare with Current Publics*
- **Future Risk:** Project for PSE vs. BEB and *Compare with Current publics*

More Comparisons: Customer Satisfaction



J.D. Power 2013 Electric Utility Residential Customer Satisfaction StudySM



Source: J.D. Power 2013 Electric Utility Residential Customer Satisfaction StudySM

Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power as the publisher and the J.D. Power 2013 Electric Utility Residential Customer Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.