



State of Washington

**PUBLIC DISCLOSURE COMMISSION**

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908

(360) 753-1111 • FAX (360) 753-1112

**Toll Free 1-877-601-2828 • E-mail: [pdc@pdc.wa.gov](mailto:pdc@pdc.wa.gov) • Website: [www.pdc.wa.gov](http://www.pdc.wa.gov)**

June 19, 2019

Sent electronically to Kathleen Galioto Assistant General Counsel for Energy Northwest

Subject: Complaint filed against Energy Northwest, PDC Case 36100

Ms. Galioto:

Below is a copy of an electronic letter sent to Jerry Dierker concerning the complaint he filed with the Public Disclosure Commission (PDC) against Energy Northwest. As noted in the letter to Mr. Dierker, the PDC will not be conducting a more formal investigation into these allegations or taking any action in this matter.

Based on staff's review, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1). If you have questions, you may contact me at (360) 664-8854, toll-free at 1-877-601-2828, or by e-mail at [kurt.young@pdc.wa.gov](mailto:kurt.young@pdc.wa.gov).

Sincerely,

Endorsed by:

s/\_\_\_\_\_  
Kurt Young, Compliance Officer

s/\_\_\_\_\_  
BG Sandahl, Deputy Director  
For Peter Lavalley, Executive Director



**Public Disclosure Commission**  
Shining Light on Washington Politics Since 1972



State of Washington  
PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908

(360) 753-1111 • FAX (360) 753-1112

Toll Free 1-877-601-2828 • E-mail: [pdcc@pdcc.wa.gov](mailto:pdcc@pdcc.wa.gov) • Website: [www.pdca.wa.gov](http://www.pdca.wa.gov)

June 19, 2019

Jerry Dierker  
2826 Cooper Point Road NW  
Olympia WA 98502

Subject: Complaint filed against Energy Northwest, PDC Case 36100

Mr. Dierker:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on March 31, 2018 against Energy Northwest. The complaint alleged Energy Northwest may have violated RCW 42.17A.205, .235 and .240 by failing to timely register and file as a political committee, and RCW 42.17A.600, .615, .630, .640, and .645 by failing to register as a lobbyist, lobbyist employer, and grassroots lobby organization.

PDC staff reviewed the allegations listed in the complaint you filed, the statutes, rules and reporting requirements for a political committee, queried the PDC contribution database for Energy Northwest contributions, and the August 29, 2018 response to the complaint provided by Kathleen Galioto Assistant General Counsel for Energy Northwest (NW). Based on staff's review, we found the following:

- Energy NW is a public agency and municipal corporation that was created in 1957 by the Washington State legislature. Energy NW operates under RCW 43.52, and “has the authority to acquire, build, operate, develop, and own a diverse mix of power plants and systems for the generation and transmission of electricity.”
- Energy NW is consortium of 27 public utility districts and municipalities around the state of Washington, that owns and operates the White Bluffs Solar Station, Packwood Lake Hydroelectric Project, Nine Canyon Wind Project, and Columbia Generating Station the Northwest's only commercial nuclear plant. In addition, Energy NW provides maintenance and operational for power generating facilities owned by other utilities, and it also develops new power generating facilities.
- On November 7, 2003, Energy Northwest Senior Management PAC filed a Committee Registration (C-1pc report) registering with the PDC as a political committee, independent of Energy NW as a public agency, and selecting the Mini Reporting Option. PDC staff found that the Committee dissolved on December 22, 2011.

- Staff queried the PDC contribution database which indicated Energy Northwest Senior Management PAC made a total of 31 contributions to Legislative candidates totaling \$4,600 during the period November of 2003, through December of 2011.
- Ms. Galioto stated that Energy NW does not meet the political committee primary purpose test since it is not a receiver of contributions and does not make expenditures to further its electoral political goals, and thus is not a political committee. As noted earlier, she reiterated that Energy NW is a public agency.
- Ms. Galioto stated that Energy NW *“does lawfully contract with a lobbyist from the private sector to handle its lobbying activities and files quarterly L-5 reports,”* Public Agency Lobbying Reports, as required for a public agency in accordance with RCW 42.17A.635. In addition, she stated that Energy NW’s *“contract lobbyist is registered with the Commission and files monthly reports that are publicly available on the Commission’s website.”*
- PDC staff’s review confirmed that Energy NW has been filing L-5 reports disclosing public agency lobbying activities dating back to the second quarter of 1999, to hire a private contract lobbying firm to lobby on its behalf. Energy NW most recent filing was the L-5 report for the first quarter of 2019 which was timely filed on April 22, 2019 disclosing \$27,000 in expenditures during the quarter for Consultant and Other Contractual Services for payments made to the contract lobbying firm.
- Ms. Galioto stated Governor Jay Inslee is not an employed by or contracts with Energy NW *“in any capacity, nor has he engaged in any lobbying activities for Energy Northwest in support of nuclear energy.”* She stated that Energy NW *“has not engaged in any grass roots lobbying activities in support of HB 2995 or any other bill in front of the Washington State Legislature supporting nuclear energy.”* She stated the photograph of Governor Inslee listed in the complaint was taken on February 7, 2018, during the Governor’s visit to the Tri-Cities, which was initiated by the Governor’s Office to discuss the carbon pricing bill

Based on these findings, no evidence was provided or found indicating that Energy Northwest: (1) met the definition of a political committee, either as a receiver of contributions, or making expenditures to support candidates or political committees; (2) met the definition of a grass root lobbying organization; or (3) was a lobbyist. Energy Northwest is a public agency that files L-5 reports disclosing lobbying activities undertaken by a private contract lobbying firm, as permitted under PDC laws and rules.

PDC staff found no evidence in this matter constituting an actual violation warranting further investigation or enforcement action. Based on this information, the PDC has dismissed the complaint in accordance with RCW 42.17A.755(1). If you have questions, you may contact PDC staff toll-free at 1-877-601-2828.

Sincerely,

Endorsed by:

s/\_\_\_\_\_  
Kurt Young, Compliance Officer

s/\_\_\_\_\_  
BG Sandahl, Deputy Director  
For Peter Lavalley, Executive Director

cc: Kathleen Galioto, Energy Northwest