

PROPOSED



Puget Sound Energy
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PSE.com

August 5, 2022

Filed Via Web Portal

Ms. Amanda Maxwell, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

**Re: Advice No. 2022-15
PSE's Natural Gas Tariff Revision**

Dear Ms. Maxwell:

Puget Sound Energy ("PSE") hereby submits proposed revisions to rates under its natural gas Supplemental Schedule 149, Cost Recovery Mechanism for Pipeline Replacement ("CRM"). This filing, pursuant to RCW 80.28.060 and Chapter 480-80 WAC, proposes changes to the following natural gas tariff sheet:

WN U-2, (Natural Gas Tariff):

10th Revision of Sheet No. 1149 - Cost Recovery Mechanism for Pipeline Replacement (CRM)

The purpose of this tariff filing is to comply with the Commission's Policy on Accelerated Replacement of Pipeline Facilities with Elevated Risk in Docket UG-120715 ("Policy Statement"). This CRM filing includes the true-up of the forecasted October 2021 costs from last year's CRM filing (UG-210678) to actual costs. An attachment and work papers supporting this proposal are included in the filing.

PSE is submitting the first of its two filings. This first filing reflects actual costs from November 1, 2021, through July 31, 2022, and projected costs from August 1, 2022 through October 31, 2022. The second filing follows the Policy Statement, which provides that each company will update the projected costs with actual costs incurred for the months of August and September. PSE expects to submit such an update in mid-October of 2022 to revise the rates on the enclosed tariff sheet to reflect the updated costs.

PSE's pending general rate case in Docket UG-220067 includes forecasted CRM investments in the proposed multiyear rate plan. Provided that the Commission approves PSE's request related to the recovery of its CRM investments, the final Schedule 149 rates from this docket will be in effect until the date that rates from the general rate case become effective, at which time Schedule 149 rates will be set to zero.

This preliminary proposal represents an overall increase in revenue of \$5.6 million or 0.54 percent in overall bills for all natural gas customers. The typical residential customer using 64 therms per month will experience a bill increase of \$0.44 per month or 0.58 percent.

The tariff sheet described herein reflects an issue date of August 5, 2022, and an effective date of November 1, 2022. Posting of proposed tariff changes, as required by WAC 480-90-193, is being made by posting the proposed tariff sheet on the PSE web site coincident with the date of this transmittal letter. Publication of the proposed increase to rates, in accordance with WAC 480-90-194, will be completed through a published notice at least 30 days prior to the November 1, 2022 effective date of this filing.

Please contact Stacy Smith at (425) 457-5854 or Julie Waltari at (425) 456-2945 for additional information about this filing. If you have any other questions, please contact me at (425) 456-2142.

Sincerely,

/s/ Jon Piliaris

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cc: Lisa Gafken, Public Counsel
Sheree Carson, Perkins Coie

Attachments: Natural Gas Tariff Sheet (listed above)
Work Paper – Revenue Requirement
Work Paper – Revenue Requirement Summary Orders
Work Paper – Rate Design
Attachment A

PUGET SOUND ENERGY
Natural Gas Tariff

SUPPLEMENTAL SCHEDULE 149

Cost Recovery Mechanism for Pipeline Replacement (CRM)

Applicability: This schedule is applicable to all Customers of the Company that receive Gas Service under Schedules 16, 23, 31, 31T, 41, 41T, 53, 85, 85T, 86, 86T, 87 and 87T and special contracts. Rates in this schedule will be applied to all bills under applicable schedules with Energy usage during a month when this schedule is effective.

Purpose: The purpose of this schedule is recovery of the depreciation expense and return on the Company's post October 2013 investment associated with the Company's Pipeline Replacement Program Plan until such expense and return are included in base rates for Gas Service.

Mechanism: This mechanism conforms to the CRM elements outlined in the Commission's Policy on Accelerated Replacement of Pipeline Facilities with Elevated Risk in Docket No. UG-120715.

Monthly Rate: The rate shown below for each schedule shall be added to the monthly rate(s) for each schedule identified thereby changing the rate charged for natural gas. Customer bills shall reflect the sum of this Supplemental Schedule 149 rate and the rates(s) otherwise charged for natural Gas Service under the applicable schedules.

<u>Schedule</u>		(D)
16	\$0.56 per mantle	(D)
23 and 53	\$0.02953 per therm	(D) (D)
31 and 31T	\$0.02957 per therm	(I)
41 and 41T	\$0.01423 per therm	
85 and 85T	\$0.00729 per therm	
86 and 86T	\$0.01024 per therm	
87 and 87T	\$0.00398 per therm	
Special Contracts	\$0.00097 per therm	(D)(D) (I)

Adjustments: Rates in this schedule and those rates reflected in the schedules for natural Gas Service to which this mechanism applies, as listed in the Applicability section above, are subject to adjustment by such other schedules in this tariff as may apply.

General Rules and Regulations: Service under this schedule is subject to general Rules and Regulations contained in this tariff as they may be modified from time to time and other schedules of such tariff that may apply as they may be modified from time to time.

Issued: August 5, 2022

Advice No.: 2022-15

Effective: November 1, 2022

By:



Issued By Puget Sound Energy

Jon Piliaris

Title: Director, Regulatory Affairs