



April 11, 2024

***Filed Via Web Portal***

Jeff Killip, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
621 Woodland Square Loop SE  
Lacey, WA 98503

**Re: Docket UG-240139 (Advice No. 2024-07)  
Puget Sound Energy's Natural Gas Tariff Filing – Do Not Redocket**

Dear Executive Director Killip:

Puget Sound Energy (“PSE”) hereby submits in connection with Docket UG-240139 the following revised natural gas tariff sheet as a substitution for the tariff sheet that accompanied its March 1, 2024 filing, submitted under Advice No. 2024-07.

WN U-2 - (Natural Gas Tariff):

29<sup>th</sup> Revision of Sheet No. 1120 – Supplemental Schedule 120, Natural Gas Conservation Service Rider

The purpose of this substitute tariff filing is to revise the natural gas revenue requirement and calculation of rates to correct the allocation of electric costs that were misallocated to natural gas. A thorough portfolio review identified three programs that slightly over-charged natural gas work orders in 2022 by \$28,758.13 and in 2023 by \$103,602.05. Specifically, Multi-Family New Construction, Commercial New Construction and Small Business Direct Install programs.

The Multi-Family and Commercial New Construction program issues stem from applying standard cost splits across electric and natural gas for all vendor costs, instead of a subset of those costs where such a split is appropriate. The Small Business Direct Install program correction stems from one invoice that applied costs to natural gas when instead all costs should have been applied to electric.

This filing proposes to decrease the natural gas revenue requirement by \$116,252, the amount of the combined 2022 and 2023 corrections grossed up for revenue sensitive items. A similar revenue requirement increase proposed for the electric filing will be made today in a separate Electric Schedule 120 substitute tariff filing under Docket UE-240138.

The revised natural gas revenue requirement in this filing is \$31.9 million, a 0.4 percent decrease to the revenue requirement proposed in PSE's original filing. This is \$5.3 million higher than the

\$26.6 million requested in last year's filing under Docket UG-230140. This is due to a \$2.8 million increase in the budget for the 2024 program year, and an increase of \$ 2.5 million in the true-up for spending, load variances and revenue sensitive fees and taxes, as compared to 2023.

Overall, this proposal results in a 0.67 percent increase in customer bills, a slight decrease compared to 0.68 percent in the original filing. The typical residential customer using 64 therms per month would experience an increase to their monthly bill of \$0.49 or 0.61 percent. PSE initially proposed an increase of \$0.50 or 0.62 percent.

This substitution is provided for in WAC 480-80-111(1)(a) Substitute Tariff Filings, as the proposed changes address concerns of the Commission regarding the pending tariff sheet. The tariff sheet described herein reflects the original issue date of March 1, 2024, and the original effective date of May 1, 2024. Posting of proposed tariff changes, as required by WAC 480-90-193, is being accomplished by posting the proposed tariff sheet on the PSE web site coincident with the date of this transmittal letter.

Please contact Julie Waltari at [julie.waltari@pse.com](mailto:julie.waltari@pse.com) or (425) 456-2945 for additional information about this filing. If you have any other questions, please contact me at [Birud.Jhaveri@pse.com](mailto:Birud.Jhaveri@pse.com).

Sincerely,

*/s/ Birud D. Jhaveri*

Birud D. Jhaveri  
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cc: Tad O'Neill, Public Counsel  
Sheree Carson, Perkins Coie  
Ed Finklea, AWEC

Attachments:  
Substitute Natural Gas Tariff Sheet (as listed above)  
Revised Revenue Requirement Work Paper  
Revised Cost of Service Work Paper



March 1, 2024

***Filed Via Web Portal***

Jeff Killip, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
621 Woodland Square Loop SE  
Lacey, WA 98503

**Re: Advice No. 2024-07  
PSE's Natural Gas Tariff Filing**

Dear Executive Director Killip:

Puget Sound Energy ("PSE") hereby submits proposed revisions to its Supplemental Schedule 120, Natural Gas Conservation Service Rider. This filing, pursuant to RCW 80.28.060 and Chapter 480-80 WAC, includes revisions to the following natural gas tariff sheet.

WN U-2 - (Natural Gas Tariff):

29<sup>th</sup> Revision of Sheet No. 1120 – Supplemental Schedule 120, Natural Gas Conservation Service Rider

The purpose of this filing is to implement rate changes under the conservation rider mechanism, as provided in Exhibit F to the Settlement Stipulation Agreement approved by the Commission in Dockets UE-011570 and UG-011571. Specifically, this proposal changes the Natural Gas Conservation Service Rider charges in order to reflect actual costs and collections over the past years for conservation programs and the estimated expenditures during the 2024 program year. This filing reflects increased amounts budgeted for the upcoming year and an increase in the true-up (and approval) of actual costs and actual collections during prior years.

The target level for acquisition of natural gas energy efficiency resources for the two-year period 2024 through 2025 is 6.5 million therms, reported at the customer meter. This goal was set after discussions with the Conservation Resource Advisory Group ("CRAG") and approved in the Commission's Order 01 in Docket UG-230893.

The amount of the revenue requirement requested in this filing is \$32.0 million. This is \$5.4 million higher than the \$26.6 million requested in last year's filing under Docket UG-230140. This is due to a \$2.7 million increase in the budget for the 2024 program year, and an increase of \$2.7 million in the true-up for spending, load variances and revenue sensitive fees and taxes, as compared to 2023.

Overall, this proposal results in an average 0.68 percent increase in customer bills. Firm sales service schedules for natural gas service are affected by this increase. There is no impact to customers taking transportation service under Schedules 31T, 41T, 85T, 86T, 87T or special contracts, as they are not billed under the Natural Gas Conservation Service Rider. The typical residential customer using 64 therms per month would experience an increase to their monthly bill of \$0.50 or 0.62 percent.

The tariff sheet described herein reflects an issue date of March 1, 2024, and an effective date of May 1, 2024. Posting of proposed tariff changes, as required by WAC 480-90-193, is being accomplished by posting the proposed tariff sheet on the PSE web site coincident with the date of this transmittal letter. Notice to the public under the provisions of WAC 480-90-194 will be provided within 30 days of the requested May 1, 2024 effective date.

Please contact Julie Waltari at [julie.waltari@pse.com](mailto:julie.waltari@pse.com) or (425) 456-2945 for additional information about this filing. If you have any other questions, please contact me at [Birud.Jhaveri@pse.com](mailto:Birud.Jhaveri@pse.com).

Sincerely,

*/s/ Birud D. Jhaveri*

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cc: Tad O'Neill, Public Counsel  
Sheree Carson, Perkins Coie  
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Attachments:  
Natural Gas Tariff Sheet (as listed above)  
Revenue Requirement Work Paper  
Cost of Service Work Paper

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**PUGET SOUND ENERGY  
Natural Gas Tariff**

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**SUPPLEMENTAL SCHEDULE 120  
Natural Gas Conservation Service Rider**


1. **Applicability:** Throughout territory served, to all firm and interruptible gas sales service Customers.
2. **Purpose:** This Schedule implements surcharges to collect costs incurred in providing service under Schedule 183 and gas Conservation Service Schedules numbered between 200 and 299.
3. **Rate:**
  1. The rates of gas sales service schedules listed in this paragraph will be adjusted as shown in all blocks of these rate schedules.
    - a. For firm sales service Schedules 23, 31, 41 and 53,  
a charge of ..... \$0.03656 per therm (I)
    - b. For gas lighting service under rate Schedule 16,  
a charge of ..... \$0.69 per mantle (I)
    - c. For interruptible sales service Schedules 85, 86 and 87,  
a charge of ..... \$0.03293 per therm (I)
  2. The rates named herein are subject to increase as set forth in Schedule 1.
4. **Adjustments:** Charges under this schedule and charges under the schedules for natural gas sales and transport service to which the surcharge in the Rate section above applies, are subject to adjustment by such other schedules in this tariff as may apply.
5. **General Rules and Provisions:** Service under this schedule is subject to the Rules and Regulations contained in this tariff as they may be modified from time to time.

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**Issued:** March 1, 2024  
**Advice No.:** 2024-07

**Effective:** May 1, 2024

**Issued By Puget Sound Energy**

By:  Birud D. Jhaveri

**Title:** Director, Regulatory Affairs