



November 19, 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. 2024-54
Puget Sound Energy’s Natural Gas Tariff Revision**

Dear Executive Director Killip:

Pursuant to RCW 80.28.060 and WAC 480-80-101 and -105, please find enclosed for filing the following proposed revisions to the WN U-2, tariff for natural gas service of Puget Sound Energy (“PSE” or the “Company”):

1 st Revision	Sheet No. 1183-I	Natural Gas Conservation Service (Continued)
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The purpose of this filing is to revise natural gas tariff Schedule 183 to add a new Section 14, Special Conditions with language detailing the removal of natural gas residential appliances and equipment rebates, consistent with RCW 80.86.070.

Beginning January 1, 2025 no form of rebate, incentive or other inducement will be offered to residential natural gas customers to purchase any natural gas appliance or equipment; this does not include commercial and industrial natural gas customers until January 1, 2031. Rebates and incentives for electric heat pumps that include natural gas backups may be offered until January 1, 2031 to all customers. Commitments entered into prior to January 1, 2025 will be honored. Other energy efficiency services and installation referrals may continue to be offered.

On July 24, 2024, Initiative Measure No. 2066 was certified to the ballot. This measure would repeal or prohibit certain laws and regulations that discourage natural gas use, and/or promote electrification, and require certain utilities and local governments to provide natural gas to customers. The passing and certification of Initiative Measure No. 2066 may impact this tariff filing, and the Company commits to modifying or withdrawing this filing dependent on the timing of the certification of the 2024 election results.

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Page 2 of 2

PROPOSED

The tariff sheet described herein reflects an issue date of November 19, 2024 and an effective date of January 1, 2025. Posting of proposed tariff changes, as required by law and the Commission's rules and regulations, is being completed through web, telephone and mail access in accordance with WAC 480-90-193. Notice to the public under the provisions of WAC 480-90-194 will be provided within 30 days of the January 1, 2025 effective date.

Please contact Eric Englert at eric.englert@pse.com for additional information about this filing. If you have other questions, please contact me at birud.jhaveri@pse.com.

Sincerely,

/s/ Birud D. Jhaveri

Birud D. Jhaveri
Director, Regulatory Affairs
Puget Sound Energy
PO Box 97034, EST-07W
Bellevue, WA 98009-9734
Birud.Jhaveri@pse.com

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

Attachments:
Natural Gas Tariff Sheet (listed above)

PUGET SOUND ENERGY
Natural Gas Tariff

SCHEDULE 183
Natural Gas Conservation Service (Continued)

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13. **Customers Who Change Provider of Commodity** (Continued):

Line No.	Description	Pro Forma Capital %	Cost %	Cost of Capital
1	Short Term Debt	4.00%	2.68%	0.11%
2	Long Term Debt	48.00%	6.22%	2.99%
3	Preferred	0.00%	0.00%	0.00%
4	Equity	48.00%	9.80%	4.70%
5	Total	100.00%		7.80%
6				
7	After Tax Short Term Debt ((line 1)*65%)	4.00%	1.74%	0.07%
8	After Tax Long Term Debt ((line 2)*65%)	48.00%	4.04%	1.94%
9	Preferred	0.00%	0.00%	0.00%
10	Equity	48.00%	9.80%	4.70%
11	Total After Tax Cost of Capital	100.00%		6.71%
12				
13				
14	Total After Tax Cost of Capital Grossed Up For Taxes (line 11 ÷ 65%)			10.32%

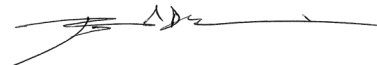
Other than grants as mentioned above, the Company will not require re-payment of funding for Conservation Measures from individual Customers.

14. **Special Conditions:** Beginning January 1, 2025 no form of rebate, incentive or other inducement may be offered to residential Customers to purchase any natural gas appliance or equipment; this does not include commercial and industrial Customers until January 1, 2031. For all classes, rebates and incentives for electric heat pumps that include natural gas backups may be offered until January 1, 2031. Commitments entered into prior to January 1, 2025 will be honored. Service and installation referrals will continue to be offered.

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Issued: November 19, 2024
Advice No.: 2024-54

Effective: January 1, 2025

By:  **Birud D. Jhaveri** **Title:** Director, Regulatory Affairs

Issued By Puget Sound Energy