



February 27, 2025

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. 2025-12**
Electric Tariff Filing – Filed Electronically

Dear Executive Director Killip:

Pursuant to RCW 80.28.060 and Chapter 480-80 WAC, please find the following proposed revisions to the WN U-60, Tariff G for electric service of Puget Sound Energy (“PSE”):

5th Revision of Sheet No. 62-A - Substation and Related Equipment Capacity (Continued)
6th Revision of Sheet No. 62-B - Substation and Related Equipment Capacity (Continued)
Attachment “B” to Schedule 62 - Fixed Charge Rates
Attachment “C” to Schedule 62 - Rate Methodology

The purpose of this filing is to implement changes to Schedule 62 rates resulting from PSE’s most recent General Rate Case (“GRC”) under the consolidated Dockets UE-240004 and UG-240005. These Schedule 62 operation and maintenance charge rates, administrative and general charges, and the capital charge rates are updated with the outcomes of the GRC in accordance with the rate methodology set forth in Attachment C to Schedule 62.

There are no proposed tariff changes to the rate methodology outlined in Attachment “C”.

Schedule 62 makes substations and related equipment capacity available for use (“lease”) to PSE customers that take service at primary voltage under Schedules 26 and 31 or at high voltage under Schedules 46, 49, 449, and 459, subject to the availability and the conditions of Schedule 62. The Schedule 62 optional service has dozens of long-term lease customers taking this service. PSE’s service of leasing substation and related equipment capacity has been in existence since at least 1975 and the original investment in the substations currently covered under this optional service is approximately \$46.6 million. Currently, the approximate annual revenue from this service is \$3.8 million associated with approximately \$30.5 million in net leased plant.

The proposed changes are:

Rate/Charge	Current	Proposed through January 28, 2026 (Rate Year One)	Proposed starting January 29, 2026 (Rate Year Two)
Annual Substation O&M Charge	\$0.5157/kVa	\$0.5023/kVa	\$0.5023/kVa
Annual Substation A&G Charge	\$0.1960/kVa	\$0.1859/kVa	\$0.1859/kVa
Overhead Distribution O&M and A&G Charge rate	8.00%	6.67%	6.67%
Underground Distribution O&M and A&G Charge rate	1.66%	1.75%	1.75%
Real Property O&M, A&G and Capital Charge rate	8.6977%	9.1155%	9.2854%
Replacement Coverage Fixed Charge Rate	8.0433%	8.4425%	8.5872%

The proposed rate changes would result in an overall increase of Schedule 62 annual revenue by about \$111,000 for the rate year through January 28, 2026 (Rate Year One). However, the actual customer impact will vary based upon the facilities and equipment leased by the customers. Seven Schedule 62 customers will see a decrease while twenty-six customers will experience an increase in their monthly Schedule 62 charge. For the rate year starting January 29, 2026 (Rate Year Two), the overall annual revenue increase is about \$49,000, twenty-nine Schedule 62 customers will see an increase of 1%-2% from the Rate Year One monthly charges while four customers would not be affected by these proposed rate changes for Rate Year Two.

The tariff sheets described herein reflect an issue date of February 27, 2025, and an effective date of April 1, 2025. Posting of proposed tariff changes, as required by law and the Commission's rules and regulations, is being completed coincident with the date of this transmittal letter through web, telephone, and mail access in accordance with WAC 480-100-193. Individual notice to each of the thirty-three Schedule 62 customers in accordance with the provisions of WAC 480-100-194 will be provided before or on February 27, 2025, more than 30 days before the proposed April 1, 2025 effective date.

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PROPOSED

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Please contact Mei Cass at for additional information about this filing. If you have any 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, BEL10W
Bellevue, WA 98009-9734
Birud.Jhaveri@pse.com

cc: Tad O'Neill, Public Counsel
Sheree Carson, Perkins

Attachments:
Electric Tariff Sheets, listed above
Work papers

PUGET SOUND ENERGY
Electric Tariff G

SCHEDULE 62
SUBSTATION AND RELATED EQUIPMENT CAPACITY (Continued)

2. **PURPOSE** (Continued):

Summary of Charges

- a. Monthly Rates: Listed below is a summary of monthly charges under this Schedule. Each charge is more fully explained within Attachment C to this Schedule. The section references below are to sections of Attachment C to this Schedule 62.
- i. Substation Operation and Maintenance Charges (see Section 1 of Attachment C): \$0.5023 per kVA divided by 12 (R)
 - ii. Substation Administrative and General Charges (see Section 2 of Attachment C): \$0.1859 per kVA divided by 12 (R)
 - iii. Substation Equipment Capital Charges (see Section 3 of Attachment C):
 - (A) Replacement Coverage: 8.4425% (through January 28, 2026) or 8.5872% (starting January 29, 2026) per dollar of investment amount (as set forth in Exhibit A to the Facilities Agreement), divided by 12 (I) (C) (N)
(N)
 - (B) No Replacement Coverage (available only for renewal of Facilities Agreements previously utilizing the No Replacement Coverage option): The fixed charge rate(s) for substations shown in Attachment B to this Schedule for the appropriate vintage year(s) per dollar of investment amount(s) (as set forth in Exhibit A to the Facilities Agreement), divided by 12
 - (C) No Replacement Coverage Adjustable: The fixed charge rate(s) for substations shown in Attachment B to this Schedule for the appropriate vintage year(s) per dollar of investment amount(s) (as set forth in Exhibit A to the Facilities Agreement), divided by 12

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Effective: April 1, 2025

By: 

Issued By Puget Sound Energy

Birud D. Jhaveri

Title: Director, Regulatory Affairs

PUGET SOUND ENERGY
Electric Tariff G

SCHEDULE 62
SUBSTATION AND RELATED EQUIPMENT CAPACITY (Continued)

2. **PURPOSE** (Continued):

iv. Distribution Feeder Charges (see Section 4 of Attachment C):

(A) Feeder Capital Charges: The fixed charge rate for feeders shown in Attachment B to this Schedule for the appropriate vintage year(s) per dollar of investment amount(s) (as set forth in Exhibit A to the Facilities Agreement), divided by 12

(B) Distribution O&M and A&G Charge rate per dollar of Distribution Base Cost, divided by 12:

Overhead Distribution O&M and A&G Charge rate: 6.67%

(R)

Underground Distribution O&M and A&G Charge rate: 1.75%

(I)

(C) Real Property O&M, A&G and Capital Charges (see Section 5 of Attachment C):

9.1155% (through January 28, 2026) or 9.2854% (starting January 29, 2026) of the capital investment amount or 100% of the percentage share of Company's annual lease costs, divided by 12

(I) (C) (N)

b. Charges other than Monthly Rates: Other charges are reflected in Sections 5, 6, 7 and elsewhere in this Schedule 62 and in Attachments A and C to this Schedule 62.

3. **ATTACHMENT C:** Attachment C to this Schedule sets forth the methodology used to calculate the rates set forth in Section 2 above. Terms defined in Attachment C have the same meaning when used in Schedule 62.

4. **INVESTMENT AMOUNT, COSTS:** The investment amount (as set forth in Exhibit A to the Facilities Agreement) used as the basis for the Company's determination of the capital charge shall be based upon the Company's records of amounts for the leased substation included in FERC accounts for distribution plant including FERC accounts 360, 361, 362 and 363 as more specifically described in Attachment C to this Schedule.

When the Company constructs facilities for use by the Customer under this Schedule, the capitalized costs shall be used to determine the monthly charges under this Schedule and the non-capitalized costs (i.e. costs charged to expense) associated with such construction shall be paid by the Customer promptly following issuance of a bill for such costs by the Company. When the Company constructs facilities at the request of the Customer and for use by the Customer, the full capacity of such equipment used by the Customer shall be specified in the Facilities Agreement unless the Company has a need for a portion of such capacity.

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