



April 9, 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: Dockets UE-240004 & UG-240005 (Advice No. 2025-25) – Do Not Redocket
Puget Sound Energy’s Natural Gas Tariff Revision**

Dear Executive Director Killip:

Puget Sound Energy (“PSE”) hereby submits in connection with Dockets UG-240004 and UG-240005 (consolidated) the following revised natural gas tariff sheets and revised work paper for Schedule 87 and 87T as a substitution for those work papers and tariff sheets that accompanied its April 7, 2025 filing, under Advice No. 2025-25.

Original	Sheet No. 1141TEX	Targeted Exception Rate Adjustment
Original	Sheet No. 1141TEX-A	Targeted Exception Rate Adjustment (Continued)
Original	Sheet No. 1141TEX-B	Targeted Exception Rate Adjustment (Continued)
27 th Revision	Sheet No. 187-D	Non-Exclusive Interruptible Gas Service with Firm Option (Optional) (Continued)
1 st Revision	Sheet No. 187-D.1	Non-Exclusive Interruptible Gas Service with Firm Option (Optional) (Continued)
10 th Revision	Sheet No. 187T	Distribution System Transportation Service (Non-Exclusive Interruptible with Firm Option)
12 th Revision	Sheet 187T-A	Distribution System Transportation Service (Non-Exclusive Interruptible with Firm Option)(Continued)

This substitute filing proposes revised rates for Schedules 87 and 87T following discussions with Commission Staff and Nucor. After Kevin Higgins from Nucor identified that the Company's rate design methodology didn't exactly match their testimony referenced in Order 11/09 ("the Order"), PSE reviewed the calculations with Nucor and confirmed the need for revision. While these changes will require minor adjustments to the rate design for both Schedules 87 and 87T, they will not affect the overall revenue requirement. This revision ensures proper alignment with the methodology authorized in the Order.

This substitute filing also revises the effective dates of the tariff sheets in this filing to April 17, 2025. This extension of the effective date allows for the full five business days' review and response to this compliance filing, pursuant to WAC 480-07-880(4); and thus, immediately following the five-day review period which concludes on April 16, 2025, the tariff sheets included with this filing will go into effect on April 17, 2025. Proposed tariff changes will be posted on PSE's website in compliance with WAC 480-90-193.

In compliance with WAC 480-07-880(3), PSE will be providing the revised supporting electronic work paper to parties to the case, the Administrative Law Division, and the Commission's policy staff, on the same date this compliance filing is made. The work paper demonstrates the derivation of the revised rates proposed by the enclosed tariff sheets.

Please contact Chris Mickelson at christopher.mickelson@pse.com or Julie Waltari at julie.waltari@pse.com 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
425-462-3946
Birud.Jhaveri@pse.com

cc: Sheree Carson, Perkins Coie
Service List

Attachments:

Substitute Natural Gas Tariff Sheets (listed above)
Substitute Work Paper - Natural Gas GRC Rate Design Updated for Schedules 87 & 87T
Certificate of Service



April 7, 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: Dockets UE-240004 & UG-240005 (Advice No. 2025-25) – Do Not Redocket
Puget Sound Energy’s Natural Gas Tariff Revision**

Dear Executive Director Killip:

Pursuant to RCW 80.28.060, WAC 480-80-101 and -105, and WAC 480-07-880, enclosed are copies of original tariff sheets of Puget Sound Energy (“PSE” or the “Company”) in compliance with the Commission’s Notice of Clarification dated March 21, 2025 and Order 11/09¹ (“Order”).

Original	Sheet No. 1141TEX	Targeted Exception Rate Adjustment
Original	Sheet No. 1141TEX-A	Targeted Exception Rate Adjustment (Continued)
Original	Sheet No. 1141TEX-B	Targeted Exception Rate Adjustment (Continued)
27 th Revision	Sheet No. 187-D	Non-Exclusive Interruptible Gas Service with Firm Option (Optional) (Continued)
1 st Revision	Sheet No. 187-D.1	Non-Exclusive Interruptible Gas Service with Firm Option (Optional) (Continued)
10 th Revision	Sheet No. 187T	Distribution System Transportation Service (Non-Exclusive Interruptible with Firm Option)
12 th Revision	Sheet 187T-A	Distribution System Transportation Service (Non-Exclusive Interruptible with Firm Option)(Continued)

¹ Order Denying PSE’s Petition of Reconsideration; Denying Nucor’s petition of Reconsideration in Part and Granting in Part; Denying JEA’s petition for Reconsideration and Clarification in Part and Granting in Part; and Granting AWEC and TEP’s Petition for Clarification (“Order 11/09, “Order”) in consolidated Dockets UE-240004 and UG-240005 and UE-230810.

On February 15, 2024, PSE filed with the Commission, revisions to its currently effective Tariff WN U-60, Tariff G, Electric Service, and Tariff WN U-2, Natural Gas, which were assigned Dockets UE-240004 and UG-240005, respectively. On January 15, 2025, the Commission entered Order 09/07 Final Order in PSE's general rate case. On March 17, 2025, following PSE and others' petitions for reconsideration and clarification, the Commission entered Order 11/09 denying PSE's Petition for Reconsideration. On March 19, 2025, PSE filed a Petition seeking a Clarification Conference. On March 21, 2025, the Commission issued its Notice of Clarification authorizing a compliance filing.

The primary purpose of this Compliance Filing (consistent with WAC 480-07-880) is to comply with the portions of the Notice of Clarification and Order that address natural gas rates. PSE is submitting a separate filing of original electric tariff sheets in compliance with the Notice of Clarification and Order under the Company's Advice No. 2025-24. This natural gas filing reflects an overall dollar amount increase of \$11.7 million; this represents an overall dollar percentage increase of 0.68 percent.

PSE complies with the Notice of Clarification specifically by, 1) proposing Natural Gas Supplemental Schedule 141TEX Targeted Exception Rate Adjustment to separately assign and control Targeted Electrification Pilot Phase 2 costs of \$22.3 million (before revenue-sensitive items) and charges to customers, with \$11.7 million for natural gas customers, 2) evenly allocating costs between gas and electric customers, and 3) implementing targeted exceptions of Schedule 87T, special contracts, and EITE customer facilities.

Furthermore, PSE complies with the Order by updating the rates for Schedules 87 and 87T by proportionately reducing the volumetric delivery charges and demand charges in Schedules 87 and 87T by an equal percentage, and is revenue neutral.

The enclosed tariff sheets reflect issue dates of April 7, 2025, and effective dates of April 15, 2025. The issue date of this filing allows for the five business days' review and response to this compliance filing, pursuant to WAC 480-07-880(4); and thus, immediately following the five-day review period which concludes on April 14, 2025, the tariff sheets included with this filing will go into effect on April 15, 2025. Proposed tariff changes will be posted on PSE's website in compliance with WAC 480-90-193.

In compliance with WAC 480-07-880(3), PSE will be providing supporting electronic work papers to parties to the case, the Administrative Law Division, and the Commission's policy staff, on the same date this compliance filing is made. The work papers demonstrate the derivation of the rates proposed by the enclosed tariff sheets.

Jeff Killip, Executive Director and Secretary
April 7, 2025
Page 3 of 3

PROPOSED

Please contact Julie Waltari at julie.waltari@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, BEL10W
Bellevue, WA 98009-9734
Birud.Jhaveri@pse.com

cc: Sheree Carson, Perkins Coie
Service List

Attachments:

Natural Gas Tariff Sheets (listed above)

Work Paper - Natural Gas Schedule 141TEX Rate Design

Work Paper - Natural Gas GRC Rate Design Updated for Schedules 87 & 87T

Certificate of Service

**PUGET SOUND ENERGY
 Natural Gas Tariff**

SCHEDULE 87

Non-Exclusive Interruptible Gas Service with Firm Option (Optional) (Continued)

7. RATES:

1. For purposes of this rate, the measurement of service shall be expressed in therms, one therm being the equivalent of 100,000 British thermal units.

2.

	Through	Beginning
	<u>January 28, 2026</u>	<u>January 29, 2026</u>

Basic charge per month, \$929.70 \$1,208.60

3. The contract volume charge rate shall be the tailblock of the total interruptible delivery charge per therm identified in item 4.a. below.

4. The total monthly interruptible gas rate shall be the sum of the total interruptible delivery charges and the gas cost charge.

a. Total Interruptible Delivery Charge – the sum of i. and ii. below:

i. Interruptible

Delivery Charge –

Through	Beginning	Per month per therm		
<u>January 28, 2026</u>	<u>January 29, 2026</u>	<u>Per month per therm</u>		
\$0.31590	\$0.32611	First 25,000 therms	(I)	(I)
\$0.19089	\$0.19706	Next 25,000 therms		
\$0.12148	\$0.12541	Next 50,000 therms		
\$0.07789	\$0.08040	Next 100,000 therms		
\$0.05606	\$0.05787	Next 300,000 therms		
\$0.03779	\$0.03902	All over 500,000 therms	(I)	(I)

ii. Gas Procurement Charge – \$0.01292 per therm for all therms delivered per month.

b. Gas Cost Charge – Interruptible gas cost is: All therms per month multiplied by the sum of the rates per therm as shown on Supplemental Schedule 101 (Sheet No. 1101) and Supplemental Schedule 106.

(K) Transferred to Sheet No. 187-D.1

(Continued on Sheet No. 187-D.1)


Issued: April 7, 2025

Effective: April 17, 2025

Advice No.: 2025-25

By Authority of Order 11/09 of the Washington Utilities and Transportation Commission in Dockets UE-240004 & UG-240005

Issued By Puget Sound Energy

By:  Birud D. Jhaveri

Title: Director, Regulatory Affairs

**PUGET SOUND ENERGY
Natural Gas Tariff**

SCHEDULE 87

Non-Exclusive Interruptible Gas Service with Firm Option (Optional) (Continued)

5. The total firm use gas rate shall be the sum of the demand charges and commodity charge as defined below:
- a. Delivery demand charge: \$1.46 per therm per month through January 28, 2026 and (I)
\$1.71 per therm per month beginning January 29, 2026 multiplied by the maximum daily (I)
delivery of firm use gas as set forth in the service agreement.
 - b. Gas supply demand charge: a rate per therm per month as shown on Supplemental
Schedule 101 (Sheet No. 1101-B) multiplied by the maximum daily delivery of firm use
gas as set forth in the service agreement.
 - c. Commodity charge: All firm use gas shall be combined with Customer's interruptible gas
and billed at the interruptible gas rates in Part 4. Herein.

(M) Transferred from Sheet No. 187-D

(Continued on Sheet No. 187-E)

Issued: April 7, 2025

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**PUGET SOUND ENERGY
Natural Gas Tariff**

SCHEDULE 87T

Distribution System Transportation Service (Non-Exclusive Interruptible with Firm Option)

1. AVAILABILITY:

1. This distribution system transportation service is available throughout the territory served by the Company to any nonresidential Customers outside of Kittitas County or nonresidential Customers in Kittitas County that take no gas service at all during the months of October through March and have executed the service agreement for transportation service under this schedule and where, in the Company's opinion, its facilities are adequate to render the required service.
2. This schedule is limited to those interruptible Customers whose current or anticipated requirement is in excess of 1,000,000 therms per year.
3. Any increase in existing firm or interruptible contract volume is subject to the Company's determination of facilities and gas supply being adequate.
4. The term of the agreement between the Company and the Customer shall be set forth in the service agreement. For purpose of the annual contract volume, the contract year shall be the twelve-month period starting with the billing cycle that includes the effective date of the service agreement with the Customer.

2. **TERMS OF SERVICE:** Service under this schedule is subject to Rule No. 29, Terms of Distribution System Transportation Service.

3. RATES AND CHARGES:

1. For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 British thermal units.
2. Basic charge per month through January 28, 2026: \$1,143.98
Basic charge per month beginning January 29, 2026: \$1,208.60
3. The total firm gas rate shall be the sum of the demand charges and commodity charges as defined below:
 - a. Transportation firm contract delivery demand charge: \$1.46 per therm of daily contract demand per billing period through January 28, 2026 and \$1.71 per therm of daily contract demand per billing period beginning January 29, 2026. (l)
 - b. Commodity charge: All firm gas shall be combined with the Customer's interruptible gas and billed at the interruptible gas rates for delivery in part 4 below. (l)

(Continued on Sheet No. 187T-A)

Issued: April 7, 2025

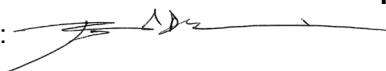
Effective: April 17, 2025

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Birud D. Jhaveri

Title: Director, Regulatory Affairs

**PUGET SOUND ENERGY
Natural Gas Tariff**

SCHEDULE 87T

Distribution System Transportation Service (Non-Exclusive Interruptible with Firm Option)

(Continued)

4. The total transportation service commodity charge (for all therms delivered) is below:

Transportation Service Commodity Charge –

Through	Beginning	Per month per therm		
January 28, 2026	January 29, 2026			
\$0.31590	\$0.32611	First 25,000 therms	(I)	(I)
\$0.19089	\$0.19706	Next 25,000 therms		
\$0.12148	\$0.12541	Next 50,000 therms		
\$0.07789	\$0.08040	Next 100,000 therms		
\$0.05606	\$0.05787	Next 300,000 therms		
\$0.03779	\$0.03902	All over 500,000 therms	(I)	(I)

5. Balancing service charge of \$0.00118 per therm for all therms delivered, for the allocated cost of storage facilities included in the sales portfolio (which shall be credited to FERC Account 191 monthly).

6. Transportation costs as set forth in the service agreement will be billed to the Customer's account.

7. Annual minimum load charge: The annual minimum load charge will be charged every year on the anniversary of the effective date of the service agreement with the Customer. The annual minimum load charge will be prorated for periods of less than one full year, such as when a Customer changes schedule, starts service, discontinues service, to adjust the annual minimum load charge to the billing cycle that includes the anniversary of the effective date of the service agreement with the Customer, or for Curtailment days in excess of sixty days during the year.

The annual minimum load charge shall apply when the actual total interruptible therms delivered to the Customer in the last year are less than the annual contract volume. The deficiency volume shall be the greater of zero or the actual total interruptible therms delivered subtracted from the annual contract volume. The amount of the annual minimum load charge shall be equal to the deficiency volume multiplied by the contract volume charge rate which is equal to the tailblock of the total transportation service commodity charge, per therm, identified in item 4. above.

(Continued on Sheet No. 187T-B)

Issued: April 7, 2025

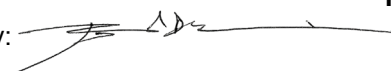
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**PUGET SOUND ENERGY
Natural Gas Tariff**

**SUPPLEMENTAL SCHEDULE 141TEX
TARGETED EXCEPTION RATE ADJUSTMENT**

(N)

APPLICABILITY: This rate adjustment is applicable to all Customers of the Company, except for Customers specified in the ELIGIBILITY EXCEPTIONS section below, and will be applied to all bills during a month when this schedule is effective.

PURPOSE: This schedule implements surcharges that require specific Customer exceptions such as customer class or other criteria. The purpose(s) for each use of this schedule are as follows:

- a. Purpose No. 1: Starting May 1, 2025 this schedule will be used to collect the costs incurred and associated with the Company's targeted electrification efforts, specifically its Targeted Electrification Pilot Phase 2, that are not recovered in other tariff schedules. Such costs included in this rate adjustment may include, but are not limited to, projects and services related to low-income heat pump direct installs, constrained areas, income-qualified fuel switching rebates, small business direct installs, multi-family rebates and commercial and industrial custom grant pilots. Also included are O&M expense and rate base for any projects, services, or pilots that enable targeted electrification implementation.

ELIGIBILITY EXCEPTIONS:

- a. Eligibility Exceptions for Purpose No. 1: Schedule 87T, Special Contracts and EITE Customer facilities

COST RECOVERY PROCEDURE (if applicable):

For billing purposes, rates will be added to the energy rate shown on the Customer's bill.

- a. Cost Recovery Procedure for Purpose No. 1:
 - ii. Rate surcharges of \$11.7M
 - iii. To recover expected and incurred costs associated with the Company's targeted electrification efforts that are offered on a voluntary basis to Customers. Such costs include all return on rate base, depreciation and O&M expenses to enable the Company's targeted electrification activities.

(N)

(Continued on Sheet No. 1141TEX-A)

Issued: April 7, 2025


Effective: April 17, 2025

Advice No.: 2025-25

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Birud D. Jhaveri

Title: Director, Regulatory Affairs

**PUGET SOUND ENERGY
Natural Gas Tariff**

**SUPPLEMENTAL SCHEDULE 141TEX
TARGETED EXCEPTION RATE ADJUSTMENT (Continued)**

(N)

DEFINITIONS:

Emissions-Intensive Trade-Exposed or Emissions-Intensive Trade-Exposed Manufacturing Facility (per WAC 173-446A-030) ("EITE") means a Customer owning facilities identified by the Department of Ecology as an emissions-intensive, trade-exposed industry entity under RCW 70A.65.110, where there is such evidence that is available or made available to the Company. It is the responsibility of the Customer to ensure that the Company has received such evidence of the Customer's status as an EITE.

ADJUSTMENTS: Rates in this schedule and those rates reflected in the schedules for natural gas service to which the surcharge in the Monthly Rate sections above apply, are subject to adjustment by such other schedules in this tariff as may apply.

GENERAL RULES AND PROVISIONS: Service under this schedule is subject to the General Rules and Provisions in this tariff as they may be modified from time to time and other schedules of such tariff that may from time to time apply as they may be modified from time to time.

(N)

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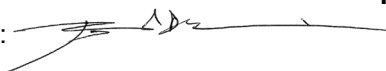
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