Puget Sound Energy P.O. Box 97034 Bellevue, WA 98009-9734 PSE.com

February 22, 2019

## Filed Via Web Portal

Mr. Mark L. Johnson, Executive Director and Secretary Washington Utilities and Transportation Commission P.O. Box 47250 Olympia, WA 98504-7250

Re: Docket UG-190049 (Advice No. 2019-01) DO NOT REDOCKET Schedule 1, Tax Adjustment, Supplemental Exhibit

Dear Mr. Johnson,

Puget Sound Energy ("PSE") hereby submits, in connection with Docket UG-190049 (Advice No. 2019-01), a supplemental exhibit ("Supplemental Exhibit") per the discussions of the staff of the Washington Utilities and Transportation Commission ("Commission Staff") with the City of Lake Stevens and with PSE. There is no change to the original proposed tariff sheet.

Enclosed within the Supplemental Exhibit includes the up-to-date City of Lake Stevens Ordinance No. 1037 ("Ordinance"). The original Ordinance No. 1037 that was enclosed as Exhibit A to the initial Schedule 1 tariff filing has been corrected for certain scrivener errors since PSE's initial tariff filing on January 24, 2019. The Ordinance tax rate that will become effective on March 1, 2019, is still 6.00%.

The Supplemental Exhibit also includes the calculation of the revised 6.013% effect of Ordinance tax after a confirmation from the City of Lake Stevens that Washington State Utility Tax (3.873%) is deductible from the City tax payable determination. For the City of Lake Stevens, PSE is estimating a total annual additional tax payment about \$32,000, a 9% increase. A typical residential natural gas customer using 64 therms per month would see a monthly increase of \$0.29, or 0.46%.

There is no change to the originally proposed tariff sheet which reflects an issue date of January 24, 2019, and an effective date of March 1, 2019. 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. Per WAC 480-90-195(2) and as discussed with the Commission Staff, PSE will notify individual customers in the City of Lake Stevens that will be affected by Ordinance change through a bill print message.

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Please contact Mei Cass at (425) 462-3800 for additional information about this filing. If you have any other questions please contact me at (425) 456-2142.

Sincerely,

/s/Jon Pílíarís

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

Attachment: Supplemental Exhibit