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

**Re: Advice No. 2019-10
PSE’s Natural Gas Tariff Filing - Filed Electronically**

Dear Mr. Johnson:

Puget Sound Energy (“PSE”) hereby submits revisions to its natural gas Schedule 106, Deferred Account Adjustment. This filing, pursuant to RCW 80.28.060 and Chapter 480-80 WAC, proposes revisions to the following tariff sheet:

WN U-2 (Natural Gas Tariff)
Original Sheet No. 1106-B – Supplemental Schedule 106 – Deferred Account Adjustment

The purpose of this filing is to add a temporary adjustment to deferred gas costs rates under the Schedule 106, Deferred Account Adjustment (“Tracker”). The October, 2018 Enbridge pipeline explosion reduced PSE’s natural gas supplies and this impact coincided with periods of extraordinary load demands. This filing reflects the true-up of actual commodity costs to actual revenue collected during the 6-month period of September, 2018 through February, 2019. The proposed Tracker rates adjust for under- recoveries of revenue driven by higher than projected costs. The balance in PSE’s 191 account is \$112.0 million under-collection at the end of February 2019 (including interest). This adjustment is proposed to be in effect through April, 2021.

The impact of the Schedule 106 rate changes is an annual revenue increase of \$58.7 million, or - 6.8 percent. The typical residential customer on Schedule 23 using 64 therms per month would experience an increase of \$3.78 per month or 6.2 percent.

Please note that work paper tabs “(C) 191 Accounts Balances” and “(C) Cost Projections” contain commercially sensitive information, disclosure of which could adversely affect PSE’s

ability to effectively negotiate favorable gas supply agreements and conduct wholesale trading for its customers. Therefore, PSE requests that work paper tabs “(C) 191 Accounts Balances” and “(C) Cost Projections” be accorded confidential treatment. Pursuant to WAC 480-07-160, they have been marked “Shaded information is designated as confidential per WAC 480-07-160.”

Posting of the proposed tariff changes, as required by law and the Commission’s rules and regulations, for inspection and review by the public is being completed coincident with the date of this transmittal letter, through web, telephone and mail access in accordance with WAC 480-90-193(1). Public notice will be provided within 30 days of the requested effective date of May 1, 2019 consistent with WAC 480-90-194.

Questions regarding this filing can be directed to Elena Zakharova at (425) 462-3539 or Julie Waltari at (425) 456-2945. If you have any other questions, or if I can be of any assistance, please contact me at (425) 456-2142.

Sincerely,

/s/ Jon Piliaris

Jon Piliaris
Director, Regulatory Affairs
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cc: Lisa Gafken, Public Counsel
Sheree Carson, Perkins Coie
Edward Finklea

Attachments: Natural Gas Tariff Sheet (listed on page 1)
Work papers, Confidential Version
Work papers, Redacted Version