COMMISSIO

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

October 1, 2020

Filed Via Web Portal

Mr. Mark L. Johnson, Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, WA 98503

Re: Advice No. 2020-32

PSE's Natural Gas Tariff Revision - Filed Electronically

Puget Sound Energy ("PSE") hereby submits proposed revisions to rates under its natural gas Supplemental Schedule 149, Cost Recovery Mechanism for Pipeline Replacement ("CRM"). This filing, pursuant to RCW 80.28.060 and Chapter 480-80 WAC, proposes changes to the following natural gas tariff sheet:

WN U-2, (Natural Gas Tariff):

8th Revision of Sheet No. 1149 - Cost Recovery Mechanism for Pipeline Replacement (CRM)

The purpose of this filing is to submit a tariff filing in accordance with the Commission's Policy on Accelerated Replacement of Pipeline Facilities with Elevated Risk in Docket No. UG-120715 ("Policy Statement"), which provided in paragraph 64 that a company may request a CRM by June 1 of any subsequent year. This CRM filing includes the true-up of the forecasted October 2019 costs from last year's CRM filing (UG-190464) to actual costs. An attachment and work papers supporting this proposal are included in the filing.

Commission Staff and PSE explored a suspension of non-essential filing requirements due to the reduction of non-essential services created by the statewide Stay Home-Stay Healthy order¹, and agreed that the initial filing of PSE's CRM could occur in September 2020 rather than its usual scheduled June filing timeline. Subsequently, Commission Staff agreed with PSE to make this filing on October 1, 2020, as the tariff sheet described herein was under suspension in PSE's General Rate Case in Docket UG-190530 until that date. PSE provided Staff with draft work papers in advance of this filing to allow for adequate time for review.

¹ Proclamation 20-05 Stay Home-Stay Healthy was issued on February 29, 2020, proclaiming a State of Emergency for all counties through the state of Washington as a result of the coronavirus disease 2019 (COVID-19) outbreak in the United States.

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This filing reflects actual costs from November 1, 2019, through July 31, 2020, and projected costs from August 1, 2020 through October 31, 2020. The Policy Statement provides that each company will update the projected costs with actual costs incurred for the months of August and September. PSE expects to submit such an update which is planned for mid-October of 2020 and to revise the rates on the enclosed tariff sheet to reflect the updated costs.

This preliminary proposal represents an overall increase in revenue of \$11.2 million or 1.23% in overall bills for all natural gas customers. The typical residential customer using 64 therms per month will experience a bill increase of \$0.74 per month.

The tariff sheet described herein reflects an issue date of October 1, 2020, and an effective date of November 1, 2020. Posting of proposed tariff changes, as required by WAC 480-90-193, is being made by posting the proposed tariff sheet on the PSE web site coincident with the date of this transmittal letter. Publication of the proposed increase, in accordance with WAC 480-90-194, will be completed through a published notice at least 30 days prior to the November 1, 2020 effective date of this filing.

Please contact Susan Free at (425) 456-2105 or Veronica Martin at (425) 457-5624 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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Attachments: Natural Gas Tariff Sheet (listed above)

Work Papers Attachment A