COMMISSIO

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

October 15, 2021

Filed Via Web Portal

Ms. Amanda Maxwell, Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, WA 98503

Re: UG-210678 (Advice No. 2021-26) – Do Not Redocket

PSE's Natural Gas Tariff Revision

Dear Ms. Maxwell:

Puget Sound Energy ("PSE") hereby submits proposed final 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):

9th Revision of Sheet No. 1149 - Cost Recovery Mechanism for Pipeline Replacement (CRM)

Consistent with the Commission's Policy Statement ("Policy Statement") under Docket No. UG-120715, this filing provides the final update to CRM costs by updating the projected costs within this filing to actual costs through September 30, 2021, and updating the forecast for October 1 through October 31, 2021. The CRM was originally filed on August 31, 2021, under PSE's Advice No. 2021-26 and was assigned Docket No. UG-210678. The initial October filing contained, 1) actual costs through July 2021, 2) forecast amounts through October 2021, and 3) the true up to actuals for the forecasted October 2020 costs, from last year's CRM filing under Docket UG-200840.

The CRM filing represents an increase of \$4.9 million in annual revenue or an average increase of 0.48% for all of PSE's approximately 862,000 natural gas customers. The impact of this filing on the typical residential customer using 64 therms per month would be an increase of \$0.31, or 0.44%. On October 1, 2021, PSE published the notice to customers required by WAC 480-90-194 which informed customers of the impacts of both the CRM and PGA filings, an overall increase of 6.20% for all customers. This final CRM update reflects a slight increase in the

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overall impact as compared to the prior filing. The combined impact of the CRM and PGA filings would be an overall average increase of 6.25%.

PSE intends to include the balance of these plant investments in base rates in its next general rate case and zero out rates under Schedule 149 as part of its compliance filing. PSE expects the general rate case rates to become effective in January 2023. However, depending on the actual month in which the general rate case rates become effective, PSE may make a CRM filing in August and October 2022 as would normally occur to cover the period of November 2022 to the general rate case effective date. If the time period is certain to be short, it may instead choose not to make a filing, in which case these rates would remain in effect for the short period until the general rate case rates become effective.

Please contact Stacy Smith at (425) 457-5854 or Julie Waltari at (425) 456-2945 for additional information about this filing. If you have any other questions, please contact me at (425) 456-2105.

Sincerely,

/s/ Susan Free

Susan E. Free
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cc: Lisa Gafken, Public Counsel Sheree Carson, Perkins Coie

Attachments: Natural Gas Tariff Sheet (listed above)

Final Work Papers Final Attachment A