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October 24, 2019

***Filed Via Web Portal***

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

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COMMISSION

**Re: Docket U-190818: Comments of Puget Sound Energy on Commission Investigation into Renewable Natural Gas Programmatic Design and Pipeline Safety Standards**

Dear Mr. Johnson:

Puget Sound Energy (“PSE” or the “Company”) appreciates the opportunity to provide feedback in response to the request in the Washington Utilities and Transportation Commission’s (“Commission”) Notice of Opportunity to File Written Comments issued in Docket U-190818 (“Notice”) on September 30, 2019. PSE values the Commission’s leadership in asking these important questions related to renewable natural gas (“RNG”) programmatic design and RNG gas quality standards as PSE continues to refine its plans to comply with the provisions in Engrossed Third Substitute House Bill 1257 (“E3SHB 1257”).

PSE strongly supports the responses and consensus positions outlined in the letter submitted by the Northwest Gas Association (NWGA). The NWGA letter is a byproduct of the robust dialogue that has been taking place over the past several months with Commission staff and our fellow local distribution companies (“LDCs”). As a result of these ongoing conversations, PSE continues to make progress towards meeting the RNG objectives of E3SHB 1257 - and we believe continued dialogue amongst the LDCs over the next 6-9 months, led by the NWGA, will better position PSE for putting forth successful RNG program offerings in the near future.

As noted in previous proceedings, PSE has been researching and considering further investment in RNG for several years. PSE was a leader in early adoption of RNG by purchasing and connecting the RNG supply from the King County South Plant in Renton in the 1990s and later the RNG supply from the Cedar Hills landfill. PSE views development of RNG as an important means of reducing greenhouse gas emissions associated with our natural gas business. RNG is a clean product that works and that can be made available at a price that customers may be willing to pay. PSE views further development of RNG as an important step in meeting the broader state policy objectives of reducing greenhouse gas emissions in the energy sector.

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There are two points articulated in the NWGA letter that PSE would like to underscore. First, each utility should be granted the discretion – and the flexibility - to design and propose its own RNG program offerings based on its unique customers' needs and requests. Second, recovery of the infrastructure costs associated with RNG is very important. Utilities need assurance that the costs associated with the infrastructure development for RNG will be recoverable through a section 13 program, as explained in the NWGA letter in response to Question 2.

In summary, PSE appreciates the Commission's interest in this important topic and would like to continue conversations with the other LDCs through the NWGA over the next several months in order to develop more detailed standards regarding treatment of the environmental attributes associated with RNG, as well as appropriate minimum gas quality standards. These recommended standards would be provided to the Commission and could be included as part of a future policy statement to support RNG development.

Thank you for the opportunity to provide comments in this docket, and PSE looks forward to future opportunities for comment. Please contact Kara Durbin at (425) 456-2377 for additional information about these comments. If you have any other questions, please contact me at (425) 456-2142.

Sincerely,

*/s/ Jon Piliaris*

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