



Puget Sound Energy
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PSE.com

October 11, 2018

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: Pipeline Replacement Cost Recovery Mechanism Update in Accordance with the
Commission Policy Statement in Docket UG-120715, originally filed under
Advice No. 2018-28 - Natural Gas Tariff Filing - Docket UG-180514

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Dear Mr. Johnson:

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)

5th Revision of Sheet No. 1149 – Cost Recovery Mechanism for Pipeline Replacement (CRM)

Consistent with the Commission’s Policy Statement (“Policy Statement”), this filing provides the final update to CRM costs by updating the projected costs within this filing to actual costs through September 30, 2018, and updating the forecast for October 1 through October 31, 2018. The CRM was originally filed on June 1, 2018, under PSE’s Advice Number 2018-28 and was assigned Docket No. UG-180514. In accordance with the Policy Statement in Docket No. UG-120715:

1. The initial June filing contained, 1) actual costs through April 2018, 2) forecast amounts through October 2018, and 3) the true up to actuals for the forecasted October 2017 costs, from last year’s CRM filing under Docket UG-170692.
2. A September 17, 2018 filing updated the projected costs from the initial filing to actual amounts for the May 2018 through July 2018 period and updated the forecast for the August through October 2018 period.

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The CRM filing represents an increase of \$4,973,225 in annual revenue or an average increase of 0.5% for all of PSE's approximately 831,000 natural gas customers. The impact of this filing on the typical residential customer using 64 therms per month will be an increase of \$0.32 on the current monthly bill of \$65.18. PSE's customers are located in PSE's certificated areas in King, Kittitas, Snohomish, Pierce, Thurston and Lewis counties. On October 2, 2018, PSE published the notice to customers required by WAC 480-90-194 which informed customers of the impacts of the CRM and PGA filings, a net decrease for sales customers and a net increase for transportation customers. This CRM update filing overall reflects a slight increase in the impacts resulting from the prior two filings. After incorporating this CRM update, the combined impact from the CRM and PGA filings is an overall average decrease of 10.1%. The total decrease related to the CRM and PGA filings for the typical residential customer using 64 therms is \$6.02, which decreases the typical monthly bill from \$65.18 to \$59.16.

Please contact Kathie Barnard at (425) 462-3716 for additional information about this filing. If you have any other questions 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

Attachments: Natural Gas Tariff Sheet, listed above
Work Paper
Attachment A