



Puget Sound Energy
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PSE.com

October 16, 2015

Mr. Steven V. King
Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 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. 2015-12 - Natural Gas Tariff Filing - Docket UG-151159
Do Not Redocket

Dear Mr. King:

Puget Sound Energy, Inc. ("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)

1st Revision of Sheet No. 1149 – Cost Recovery Mechanism for Pipeline Replacement (CRM)

The CRM was originally filed on June 1, 2015, under PSE's Advice Number 2015-12 and was assigned Docket No. UG-151159. In accordance with the Commission's Policy Statement in Docket No. UG-120715 ("Policy Statement"), that June filing reflected actual costs incurred under the CRM program from November 1, 2014, through April 30, 2015, projected costs from May 1, 2015, through October 31, 2015, and a true-up of estimated costs to actual costs for the 2014 CRM program year. A September 18, 2015, filing in this docket updated those projected costs to actual for the period of May 1, 2015, through July 31, 2015. It contained actual costs for the period of November 1, 2014, through July 31, 2015, and an update to the projected costs for August 1, 2015, through October 31, 2015. In accordance with the 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, 2015, and updating the forecast for October 1 through October 31, 2015.

This CRM filing represents an increase of \$5,331,376 or an average increase of 0.49% for all of PSE's approximately 793,924 natural gas customers. The impact of this filing on the typical residential customer using 68 therms per month will be an increase of \$0.39 on the current monthly bill of \$81.25. PSE's customers are located in PSE's certificated areas in King, Kittitas,

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Snohomish, Pierce, Thurston and Lewis counties. On September 28, 2015, PSE published the notice to customers required by WAC 480-90-194 which informed customers of the impacts of the CRM filing and the PGA/PGA Deferral filings, a net decrease. This CRM update filing overall reflects a slight increase in the impacts resulting from the two filings. After incorporating this CRM update, the combined impact from the CRM and PGA/PGA Deferral filings is an overall average decrease of 16.56%. The total decrease related to the CRM and PGA/PGA Deferral filings for the typical residential customer using 68 therms is \$12.54, which decreases the typical monthly bill from \$81.25 to \$68.71.

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) 456-2110.

Sincerely,


Ken Johnson
Director, State Regulatory Affairs

Enclosures

cc: Simon J. ffitich, Public Counsel
Sheree Carson, Perkins Coie