

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION  
COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

DOCKET NOS. UE-190529, UG-  
190530, UE-190274, UG-190275  
(*Consolidated*)

**EXH. AEW-12**

**PSE RESPONSE TO NVEC DATA REQUEST NO. 015  
REDACTED VERSION**

**ON BEHALF OF**

**NW ENERGY COALITION**

**November 22, 2019**

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Dockets UE-190529 & UG-190530  
Puget Sound Energy  
2019 General Rate Case**

**NWEC DATA REQUEST NO. 015**

**“CONFIDENTIAL” Table of Contents**

<b>DR NO.</b>	<b>“CONFIDENTIAL” Material</b>
<b>015</b>	Shaded information is designated as CONFIDENTIAL per Protective Order in Dockets UE-190529 and UG-190530 as marked in Attachment A to Puget Sound Energy’s Response to NWEC Data Request No. 015.

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Dockets UE-190529 & UG-190530  
Puget Sound Energy  
2019 General Rate Case**

**NWEC DATA REQUEST NO. 015:**

Please refer to PSE's response to NWEC DR 003 Attachment C. Please provide all supporting data and the methodology for how the Company calculated the response to Staff's question, "What is the average cost to the company for a line extension to a residential customer?"

**Response:**

Puget Sound Energy ("PSE") assumes that NWEC Data Request No. 015 pertains to the following section of Attachment C to PSE's Response to NWEC Data Request No. 003:

"What is the average cost to the company for a line extension to a residential customer?"

The average cost per new natural gas residential service is \$2,382, based upon the jobs PSE completed in 2013 for both customer-provided trenching and company provided trenching new residential natural gas services. The average cost of \$2,382 includes meter related costs but excludes mains extensions and any other new natural gas facilities needed to serve these new natural gas customers."

PSE cannot locate the specific supporting data and the methodology for how PSE calculated the response to the informal data request under the Washington Utilities and Transportation Commission ("Commission") Docket UG-143616, the Commission's investigation of natural gas distribution infrastructure expansion.

However, PSE is providing in the table below the average cost for services placed in-service from 2009 through November 14, 2019. Please note that not all costs for services completed in 2019 have been recorded in PSE's information system. The table below shows the average costs by type (i.e., MAT Code: SM1, SM2, and SM6) of new natural gas residential service work and by the year that the services were ready to be energized between January 2009 and November 14, 2019.

- SM1-Res Svc/MSA-Scat New Const: Residential ("Res") service ("Svc") with meter set assembly ("MSA") for new scattered ("Scat") construction ("Const")

work includes a complete service line from an existing natural gas main in the street to the meter for new home construction. Prior to 2013, this type of work included all new residential construction in all sizes of plat development. After 2013, this MAT code was designated for new single lots. For example, where a developer buys a lot and builds a new home or a builder builds a new home on a short plat from an existing larger parcel.

- SM2-Res Svc/MSA-Scat Conv Const: This includes all the conversion (“Conv”) services where an existing home converts to natural gas and PSE runs a complete service from an existing main for the existing home that did not have natural gas service before.
- SM6-Res Svc/MSA - New Plat Dev: This type of work includes a new service and a new meter for a newly constructed home in a plat development (“Dev”) where the service line connection stubs have been installed at the natural gas main within the plat development. These are plat services where builders provide trench to PSE specifications for their new construction homes in a plat development where PSE has already installed natural gas main and stubs in the joint utility trench.

All these three types of services—SM1, SM2, and SM6—could be included in an average residential service cost analysis depending on the purpose of the analysis. These new residential natural gas services include services where either: (1) customers provided trenching or (2) PSE provided trenching. Trenching and surface restoration responsibility and requirement is a key driver of line extension cost differences. These average costs include service line and meter set assembly related costs but exclude main extensions and any other new natural gas facilities needed to serve these new natural gas customers.

Average Cost	MAT Code	MAT Code2		Average Cost
SVCC Year	SM1 Res Svc/MSA-Scat New Const	SM2 Res Svc/MSA-Scat Conv Const	SM6 Res Svc/MSA - New Plat Dev	Average Cost
2009	\$1,807	\$5,225		\$3,146
2010	\$1,996	\$5,833		\$3,652
2011	\$1,681	\$6,459		\$2,927
2012	\$1,852	\$7,142		\$3,129
2013	\$1,980	\$7,051	\$1,415	\$3,009
2014	\$5,454	\$7,074	\$1,496	\$3,205
2015	\$5,936	\$7,464	\$1,540	\$3,101
2016	\$6,884	\$8,111	\$1,627	\$3,357
2017	\$7,037	\$7,888	\$1,272	\$3,201
2018	\$7,783	\$8,486	\$1,505	\$3,630
2019	\$8,428	\$8,310	\$1,738	\$3,791
<b>Grand Total</b>	<b>\$3,143</b>	<b>\$7,218</b>	<b>\$1,518</b>	<b>\$3,275</b>

Shaded information is designated as CONFIDENTIAL per Protective Order in WUTC Dockets UE-190529 and UG-190530 as marked in Attachment A to PSE's Response to NWECC Data Request No. 015.

**ATTACHMENT A to PSE's Response to  
NWEAC Data Request No. 015**