



Puget Sound Energy  
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April 1, 2019

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***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: Advice No. 2019-16  
PSE's Electric Tariff Filing - Filed Electronically**

Dear Mr. Johnson:

Puget Sound Energy ("PSE") hereby submits proposed revisions to rates under its electric Schedule 142, Revenue Decoupling Adjustment Mechanism. This filing, pursuant to RCW 80.28.060 and Chapter 480-80 WAC, proposes revisions in the following electric tariff sheets:

WN U-60, Tariff G - (Electric Tariff):

4th Revision of Sheet No. 142-H - Revenue Decoupling Adjustment Mechanism (Continued)

The purpose of this filing is to implement changes to rates under the established Revenue Decoupling Adjustment Mechanism, as provided in the Commission's Order 08 (Final Order) in Dockets UE-170033 and UG-170034 (consolidated). Under Docket UE-190212, PSE has submitted its Commission Basis Report (compliant with WAC 480-100-257) for the twelve months ending December 2018 which also supports the Earnings Test calculation in this filing. The work papers supporting this filing include information in compliance with reporting on the impacts of decoupling consistent with Paragraph 9 in Order 08.

Schedule 142 is a mechanism for adjusting rates, both up and down, for defined Decoupled Customers. Decoupled Customers include those customers receiving service under Schedules 7, 7A, 8, 10, 11, 12, 24, 25, 26, 29, 31, 35, 40 and 43 ("Decoupled Customers"). The rates calculated for Decoupled Customers in this filing true-up the deferral of the difference between allowed and actual volumetric decoupling revenue during calendar year 2018. While Schedules 46 and 49 are no longer Decoupled Customers as of December 19, 2017 in accordance with Order 08, rates will be charged until the deferrals accrued throughout 2017 for these customers are fully amortized. At the time of this filing, PSE is projecting a large residual delivery balance

Mr. Mark L. Johnson  
April 1, 2019  
Advice No. 2019-16  
Page 2 of 3

for these customers and has calculated delivery amortization rates to recover this remaining amount. PSE is not proposing fixed power cost amortization rates for these customers as the residual balance is projected to be small.

Consistent with the requirements of Order 08, the rates proposed herein reflect the results of the Earnings Test, in accordance with paragraph 308 of Order 08. The Earnings Test is derived from the results of the Commission Basis Report submitted on March 28, 2019 excluding normalizing adjustments. The Earnings Test resulted in a rate of return that was less than the authorized rate of return. Accordingly, this filing incorporates no earnings share to customers.

This proposal represents an average increase in overall bills of 0.94 percent for Decoupled Customers and a revenue increase of \$20.6 million. However, some rate schedules would see a decrease. The typical residential customer using 900 kWh per month would experience an increase of \$1.67 per month.

The tariff sheet described herein reflects an issue date of April 1, 2019, and an effective date of May 1, 2019. Posting of proposed tariff changes, as required by WAC 480-100-193, is being made by posting the proposed tariff sheets on the PSE web site coincident with the date of this transmittal letter. Notice to the public under the provisions of WAC 480-100-194 is being provided through a published notice.

Please contact Lena Zakharova (425) 462-3539 or Julie Waltari at (425) 456-2945 for additional information about this filing. If you have any other questions please contact me at (425) 456-2142.

Sincerely,

*/s/ Jon A. Piliaris*

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Director, Regulatory Affairs  
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cc: Lisa Gafken, Public Counsel  
Sheree Carson, Perkins Coie

Attachment:  
Electric Tariff Sheet (listed above)  
Work Papers