



Puget Sound Energy
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PSE.com

January 31, 2018

Filed Via Web Portal

Mr. Steven V. King
Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

Re: Advice No. 2018-10 – Natural Gas Tariff Filing - Filed Electronically

Dear Mr. King:

Pursuant to RCW 80.28.060 and Chapter 480-80 WAC, please find enclosed the proposed revision to the WN U-2, tariff for natural gas service of Puget Sound Energy (“PSE”).

1st Revision of Sheet No. 16-B: Rule No. 6, Extension of Distribution Facilities

The purpose of this filing is to update the Rule No. 6 Margin Allowance amounts per the results of PSE’s most recent General Rate Case that was approved by the Washington Utilities and Transportation Commission on December 5, 2017, per Order 08, Final Order Rejecting Tariff Sheets; and Authorizing and Requiring Compliance Filing, in consolidated Dockets UE-170033 and UG-170034 (2017 GRC).

These proposed line extension Margin Allowance amounts are determined based upon the 2017 GRC margin rates that are embedded in the current natural gas Schedule 142, Revenue Decoupling Adjustment Mechanism, or embedded in those schedules that are not subject to Schedule 142. PSE is also proposing different Margin Allowance amounts for the customers that would be served under Schedule 31, Commercial and Industrial General Service, and Schedule 31T, Distribution System Transportation Service (Firm Commercial & Industrial). Currently the Rule No. 6 Non-Residential Margin Allowance group of “Schedules 31, 31T, 41, 41T, 86, and 86T” all have the same Margin Allowance amounts. Per the 2017 GRC results for Schedule 142, Revenue Decoupling Adjustment Mechanism, Schedules 31 and 31T are no longer grouped with Schedules 41, 41T, 86, and 86T and therefor have different margin rates requiring different Margin Allowance amounts.

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In order to provide certainty and advance notice to the building industry, this filing proposes the updated Margin Allowance amounts to be effective on July 1, 2018, as indicated on the proposed tariff sheet. PSE has plans to continue discussions with members of the building industry to make them aware of this filing and the proposed Margin Allowance update.

These tariff changes do not increase recurring charges or restrict access to services. The tariff sheet described herein reflects an issue date of January 31, 2018, and an effective date of March 3, 2018. Notice and posting of the proposed tariff changes, as required by law and the Commission's rules and regulations, is being given to the public immediately prior to or coincident with the date of this transmittal letter, through web, telephone, and mail access in accordance with WAC 480-90-193(1). Furthermore, PSE provides a cost quote to individual customers who request facility extension or modification prior to construction.

Please contact Mei Cass at (425) 462-3800 for additional information about this filing. If you have any other questions please contact me at (425) 456-2110.

Sincerely,

/s/ Kenneth S. Johnson

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

Attachment:
Natural Gas Tariff Sheet, listed above