**Puget Sound Energy** P.O. Box 97034 Bellevue, WA 98009-9734 PSF com

August 31, 2020

## Filed Via Web Portal

Mr. Mark L. Johnson, Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, WA 98503

Re: **Advice No. 2020-26** 

**PSE's Natural Gas Tariff Revision - Filed Electronically** 

Dear Mr. Johnson:

Pursuant to RCW 80.28.060 and WAC 480-80-101 and WAC 480-80-105(1)(c), please find enclosed for filing the following proposed revisions to the WN U-2, Tariff for natural gas service of Puget Sound Energy ("PSE"):

18<sup>th</sup> Revision of Sheet No. 1129 Low Income Program 3<sup>rd</sup> Revision of Sheet No. 1129-A.1 Low Income Program (Continued) 19<sup>th</sup> Revision of Sheet No. 1129-B Low Income Program (Continued)

The purpose of this filing is to convey PSE's annual low income compliance filing as provided for in, 1) Exhibit G to the Settlement Stipulation Agreement approved by the Commission in Dockets UE-011570 and UG-011571 (the "Settlement), and 2) the Multiparty Settlement Stipulation in Docket U-072375 and the Partial Settlement in Dockets UE-072300 and UG-072301, and as ordered by 3) the Commission in Order 08 in Dockets UE-111048 and UG-111049 ("Order 08"), and 4) the Commission in Order 07 in Dockets UE-121697 and UG-121705 (Consolidated) issued jointly with Order 07 in Dockets UE-130137 and UG-130138 (Consolidated) ("Order 07").

This filing proposes an increase in the total low income program natural gas revenue requirement of \$825,655. The change in revenue requirement results in an average overall increase to rates for natural gas customers of 0.08 percent. The typical Schedule 23 residential customer using 64 therms per month would experience an increase of \$0.05 per month or 0.08 percent. The revised

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level of funding, revenue requirement and prior year collections are detailed in work papers provided with this filing.

The following unique items included in this year's filing require further explanation:

## **Increase to Low Income Funding Cap**

Pursuant to paragraph 34 of Final Order 08 in Dockets UE-190529 and UG-190539, et al, ("2019 GRC") a funding increase for low income should be included in the amount of \$1.4 million or twice the percentage increase of residential base rates, whichever is greater. PSE notes that the residential base rates increase in the 2019 GRC is the subject of a Petition For Judicial Review and a Motion To Stay Portions of Final Orders Pending Judicial Review ("Motion To Stay"), filed by PSE in King County Superior Court under cause No. 20-2-12279-3 SEA. Therefore, there are two potential residential base rates increases that could result from the Court's decision on PSE's Motion To Stay – those calculated under the Commission's Final Orders (Order Nos. 08 and 10) and those calculated under PSE's Motion To Stay. Accordingly, the amount of the residential base rates increase is not yet final. In accommodation of the need to file the annual update to the low-income tariff, the percentage increase to the cap that PSE has included in this filing is calculated based on the level of residential base rates increase as calculated under the Commission's Final Orders. This filing is made without prejudice to PSE's position in the Superior Court proceeding. Although PSE does not agree that the residential base rates under the Commission's Final Orders are appropriate, for purposes of this filing, PSE has calculated the increase to the low income cap using the higher of the two potential amounts<sup>1</sup>. PSE is not proposing to adjust this amount if the results of the Motion To Stay are known prior to the low income rates becoming effective.

The tariff sheets described herein reflect an issue date of August 31, 2020, and effective date of October 1, 2020. Posting of proposed tariff changes, as required by law and the Commission's rules and regulations, is being completed through web, telephone and mail access in accordance with WAC 480-90-193. Notice to the pubic under the provisions of WAC 480-90-194 will be provided within 30 days of the October 1, 2020, effective date.

<sup>&</sup>lt;sup>1</sup> The increase to the cap is approximately \$700,000 higher under the Commission's Final Orders than under the residential base rates increase that would result if the Court grants PSE's Motion To Stay.

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Please contact Veronica Martin at (425) 457-5624 or <u>veronica.martin@pse.com</u> for additional information about this filing. If you have any other questions, please contact me at (425) 456-2142.

Sincerely,

/s/ Jon A. Piliaris

Jon A. Piliaris - Director, Regulatory Affairs Puget Sound Energy PO Box 97034, EST-07W Bellevue, WA 98009-9734 (425) 456-2142 Jon.Piliaris@pse.com

cc: Lisa Gafken, Public Counsel Sheree Carson, Perkins Coie

Attachments: Natural Gas Tariff Sheets (listed above) Work Papers