



Puget Sound Energy
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PSE.com

UE-220180

March 18, 2022

Filed Via Web Portal

Ms. Amanda Maxwell, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

**RE: Advice No. 2022-06
Puget Sound Energy's Electric Tariff Revision**

Dear Ms. Maxwell:

Pursuant to RCW 80.28.060, WAC 480-80-101 and -105 please find enclosed for filing the following proposed revisions to the WN U-60, tariff for electric service of Puget Sound Energy ("PSE"):

- 3rd Revision of Sheet No. 136-A - Large Volume Green Energy Purchase Rider (Continued)
- 2nd Revision of Sheet No. 136-B - Large Volume Green Energy Purchase Rider (Continued)

The purpose of this filing is to update the monthly rate for service under PSE's optional Schedule 136 – Large Volume Green Energy Purchase Rider to \$0.0060 per kWh in order to reflect the changing price conditions of the renewable energy credit certificates ("REC") that PSE is expecting to procure to meet the need of Schedule 136 customers going forward.

It has been difficult to source RECs exclusively within the geographic area of Western Electricity Coordinating Council ("WECC") at the current Schedule 136 monthly rate of 0.0035 per kWh. The WECC REC prices have been continuing to rise gradually in recent years. Since 2016, PSE has tried to manage REC purchasing to support the Schedule 136 service, even as local REC prices continue to increase. PSE was able to buy RECs from farther away within the WECC geographic area to meet Schedule 136 customer demand; however, this is becoming increasingly difficult. In addition, one of PSE's long-term REC contracts will expire at the end of 2023, and PSE anticipates that it will need to pay an increased REC price beginning in 2024. Going forward, to keep the Schedule 136 monthly rate cost effective for customers, PSE will provide a blend of WECC and non-WECC RECs with a roughly 50/50 split between WECC and mid-West REC supplies. The proposed monthly rate of \$0.0060 per kWh reflects the mixed REC sources approach.

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Overall, this proposal represents a change in the monthly rate from \$0.0035 per kWh to \$0.0060 per kWh, a 71 percent increase in the Schedule 136 monthly rate. PSE currently has 20 customers at 158 locations receiving this optional service. Before this filing, PSE has reached out to these customers about the increasing REC prices in recent years and about a potential future significant Schedule 136 monthly rate adjustment.

The tariff sheets described herein reflect an issue date of March 18, 2022, and effective date of April 17, 2022. 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 480-100-193. Notice to individual customers will be completed in accordance with the provisions of WAC 480-100-194.

Please contact Veronica Martin at veronica.martin@pse.com for additional information about this filing. If you have any other questions please contact me at (425) 456-2142.

Sincerely,

/s/ Jon Piliaris

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

Attachments: Electric Tariff Sheets (listed above)