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

**Re: Advice No. 2023-17
 PSE's Electric Tariff Filing – Filed Electronically**

Dear Ms. Maxwell:

Pursuant to RCW 80.28.060 and Chapter 480-80 WAC, Puget Sound Energy (“PSE”) hereby submits for filing with the Washington Utilities and Transportation Commission (“Commission”) the following proposed revisions to the WN U-60, Tariff G for electric service of PSE:

16 th Revision of Sheet No. 85-E	- Schedule 85: Line Extensions and Service Lines (Continued)
15 th Revision of Sheet No. 85-F	- Schedule 85: Line Extensions and Service Lines (Continued)
4 th Revision of Sheet No. 85-J	- Schedule 85: Line Extensions and Service Lines (Continued)
5 th Revision of Sheet No. 85-L	- Schedule 85: Line Extensions and Service Lines (Continued)
5 th Revision of Sheet No. 85-M	- Schedule 85: Line Extensions and Service Lines (Continued)
4 th Revision of Sheet No. 85-S	- Schedule 85: Line Extensions and Service Lines (Continued)

The purpose of this filing is to propose changes to Schedule 85 that update standard line extension charges, transformation costs, and margin amounts; and incorporates one tariff language revision. The filing of these proposed changes is part of PSE's commitments about its electric line extension policy as documented in the Commission Staff (“Staff”) memos in PSE's 2015 and 2018 Schedule 85 filings under Dockets UE-150200 and UE-180091, respectively.

Standard Line Extension Charges and Transformation Costs

The cost basis for these proposed standard charges for a new line extension and a new service line includes the work orders that were completed between July 1, 2020, and June 30, 2021. PSE submitted the study results as an informational filing with the Commission on October 5, 2022, under Docket U-220747 (“Study”). The following table summarizes the Study results *i.e.*, the proposed charges in comparison with the current charges.

<i>Category</i>	<i>Tariff Sheet</i>	<i>Current Tariff Charge</i>	<i>Proposed Charge</i>	<i>\$ Change</i>	<i>% Change</i>
<i>Service Line – Single Family</i>					
Services - OH from OH Distribution Within 250'- Base Cost	85-L, G.b	\$890.00	\$828.00	-\$62.00	-7%
Services - UG from OH Distribution Within 250'- Base Cost	85-L, G.b	\$1,365.00	\$1,269.00	-\$96.00	-7%
Services - UG from OH Distribution Over 250' - \$/ft	85-L, G.b	\$13.46	\$12.51	-\$0.95	-7%
Services - UG from UG Distribution Within 250'- Base Cost	85-L, G.b	\$730.00	\$679.00	-\$51.00	-7%
Services - UG from UG Distribution Over 250' - \$/ft	85-L, G.b	\$13.46	\$12.51	-\$0.95	-7%
<i>Line Extension - OH Single Family</i>					
Primary - Base Cost	85-J, G.b i	\$6,500.00	\$8,580.00	\$2,080.00	32%
Primary - \$/ft	85-J, G.b i	\$19.75	\$26.07	\$6.32	32%
Secondary - Base Cost	85-J, G.b i	\$5,000.00	\$6,600.00	\$1,600.00	32%
Secondary - \$/ft	85-J, G.b i	\$16.84	\$22.23	\$5.39	32%
<i>Line Extension-UG Single Family</i>					
Primary - Base Cost	85-J, G.b i	\$7,500.00	\$9,900.00	\$2,400.00	32%
Primary - \$/ft	85-J, G.b i	\$6.76	\$8.92	\$2.16	32%
Secondary - Base Cost	85-J, G.b i	\$5,400.00	\$7,128.00	\$1,728.00	32%
Secondary - \$/ft	85-J, G.b i	\$8.07	\$10.65	\$2.58	32%
<i>Line Extension – Plat - \$/ft</i>	85-J, G.b ii	\$52.26	\$60.45	\$8.19	16%

In addition to the proposed update to the standard line extension charges based upon the Study costs that have been filed with the Commission in the informational filing, PSE also proposes changes to the transformation costs for new residential services in this filing. These standard transformation costs are applicable when a residential customer requests a secondary voltage service. The following table shows both the current and the proposed costs.

<i>Per Service Panel Amp</i>	<i>Tariff Sheet</i>	<i>Current Cost</i>	<i>Proposed Costs</i>	<i>\$ Change</i>	<i>% Change</i>
Single Family Overhead	85-M, G.b iv	\$7.13	\$9.52	\$2.39	33.5%
Single Family Pad Mount	85-M, G.b iv	\$3.24	\$4.92	\$1.68	51.9%
Multi-Family OH (4 or more units)	85-M, G.b iv	\$1.59	\$2.20	\$0.61	38.4%
Multi Family Pad Mount (4 or more units)	85-M, G.b iv	\$1.32	\$2.03	\$0.71	53.8%

Margin Amounts

The calculation of Margin Allowance is based upon the Perpetual Net Present Value (“PNPV”) method that was proposed by the Commission Staff and adopted by PSE during its 2018 Schedule 85 filing. Per the PNPV method, the proposed Margin Allowance amounts are derived by dividing the allowed revenue from Schedule 142 Revenue Decoupling Adjustment Mechanism for each rate schedule by PSE’s after-tax rate of return as approved by the Commission in PSE’s 2022 general rate case under Dockets UE-220066 and UG-220067 (consolidated).

The table below summarizes the current and proposed Margin Allowance amounts.

Sheet Nos. 85-E and 85-F Margin Allowance Amount for New Services				
Schedule	Current	Proposed	\$ Change	% Change
7 (per customer)	\$4,460	\$5,656	\$1,195	27%
24 (per kWh)	\$0.397137	\$0.469696	\$0.072559	18%
25 (per kWh)	\$0.321394	\$0.366310	\$0.044916	14%
26 (per kWh)	\$0.269378	\$0.325643	\$0.056265	21%
31 (per kWh)	\$0.270740	\$0.336478	\$0.065738	24%

The Distribution Incremental Margin calculation is based on estimated incremental revenue per kWh from an average customer by rate schedule. The table below summarizes the current and proposed Distribution Incremental Margin amounts.

Sheet No. 85-S Distribution Incremental Margin Amount				
Schedule	Current	Proposed	\$ Change	% Change
7 (per kWh)	\$0.030348	\$0.040009	\$0.009661	32%
24 (per kWh)	\$0.029504	\$0.034322	\$0.004818	16%
25 (per kWh)	\$0.028202	\$0.031492	\$0.003290	12%
26 (per kWh)	\$0.024414	\$0.028892	\$0.004478	18%
31 (per kWh)	\$0.023541	\$0.028939	\$0.005398	23%

Tariff Language Revision

The proposed Sheet No. 85-E also includes a tariff schedule revision to the number of the years after a non-residential line extension is energized that PSE may calculate and refund the Margin Allowance for the line extension project. The revision of up to five years is to align with the refunding processes and requirements outlined in subsections K.b and K.d of Sheet No. 85-T.

In order to provide certainty and advance notice to the building industry, PSE proposes the updated line extension costs, charges and margin amounts become effective on July 1, 2023, as indicated on the proposed tariff sheets. PSE plans to continue discussions with members of the building industry to make them aware of this filing and the proposed line extension charges, costs and the margin amounts.

The tariff sheets described herein reflect an issue date of April 20, 2023, and an effective date of July 1, 2023. Posting of the proposed tariff changes, as required by law and the Commission's rules and regulations, is being completed in accordance with WAC 480-100-193(1). No additional public notice is required under the provisions of WAC 480-100-194 or -195. 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 or mei.cass@pse.com for additional information about this filing. If you have any other questions please contact me at (425) 456-2142.

Ms. Amanda Maxwell, Executive Director and Secretary

April 20, 2023

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Sincerely,

/s/ Jon Piliaris

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

Attachments:
Electric Tariff Sheets, listed above