

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

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November 1, 2023

Filed Via Web Portal

Kathy Hunter, Acting Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, WA 98503

Re: Advice No. 2023-52

PSE's Natural Gas Tariff Filing - Filed Electronically

Dear Executive Director Hunter:

Puget Sound Energy ("PSE") hereby submits proposed revisions to rates under natural gas Schedule 111, Greenhouse Gas Emissions Cap and Invest Adjustment. This tariff filing, pursuant to RCW 80.28.060 and Chapter 480-80 WAC, includes the following natural gas tariff sheets:

WN U-2 - (Natural Gas Tariff):

| THE B (TWEETER CAD TAILIT). | | | |
|-----------------------------|--------------------------|--------------------|--|
| | 2 nd Revision | Sheet No. 1111-B | Greenhouse Gas Emissions Cap and Invest Adjustment |
| | | | (Continued) |
| | Original | Sheet No. 1111-B.1 | Greenhouse Gas Emissions Cap and Invest Adjustment |
| | | | (Continued) |

The purpose of this tariff filing is a revision to clarify that the amount of the non-volumetric monthly State Carbon Reduction Credit ("Credit") shall not exceed a customer's total monthly State Carbon Reduction Charge ("Charge")¹ amount billed and to revise the Special Terms and Conditions of the tariff schedule in order to address a condition of maritime fuel combusted outside of Washington jurisdictional waters which are exempt under the Climate Commitment Act.

With regard to the revision to ensure the amount of the non-volumetric monthly Credit does not exceed the customer's total monthly Charge amount billed, PSE has started to experience below average volume customers receiving excess benefit, which provides a reverse incentive to use more gas because the non-volumetric credit received exceeds their total Charge amount with any

¹ With the exception of natural gas Schedules 16, 23, 31 and 31T.

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remaining Credit being applied to base revenues or resulting in overall account credits. In addition, the current structure may encourage switching between rate schedules, to take advantage of higher Credit amounts. PSE is respectfully requesting an effective date in this filing of December 1, 2023 so that the Company may complete the necessary programming of its billing system in a timely manner prior to implementation by its target date of May 1, 2024. Any residual Credit amount would be deferred in aggregate for future Credit applications.

With regard to the revision to address the condition of maritime fuel combusted outside of jurisdictional waters, PSE has noted that companies are seeking guidance or exemptions from the Department of Ecology for emissions from maritime fuel and for such downstream uses by customers. The proposed revision will allow time for those companies to provide PSE evidence of that guidance or exemptions from the Department of Ecology for such downstream uses, and clarify the process for PSE to adjust bills consistent with such guidance or exemptions.

Please note, this filing is not the same as the tariff filing PSE plans to file by November 22, 2023, which will update tariff Schedule 111 credits and charges to be effective on January 1, 2024.

The tariff sheets described herein reflect an issue date of November 1, 2023 and effective date of December 1, 2023. Posting of proposed tariff changes, as required by WAC 480-90-193, is being accomplished by posting the proposed tariff sheets on the PSE web site coincident with the date of this transmittal letter.

Please contact Chris Mickelson at christopher.mickelson@pse.com for additional information about this filing. If you have any other questions, please contact me at Birud.Jhaveri@pse.com.

Sincerely,

/s/ Birud D. Jhaveri

Birud D. Jhaveri Director, Regulatory Affairs Puget Sound Energy PO Box 97034, BEL10W Bellevue, WA 98009-9734 425-462-3946 Birud.Jhaveri@pse.com

cc: Lisa Gafken, Public Counsel Sheree Carson, Perkins Coie Ed Finklea, AWEC

Attachments: Natural Gas Tariff Sheets, listed above