



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

621 Woodland Square Loop S.E. • Lacey, Washington 98503

P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY 1-800-833-6384 or 711

January 28, 2025

RE: *Washington Utils. and Transp. Comm'n v. Puget Sound Energy*,
Dockets UE-240004, UG-240005, and UE-230810 (*Consolidated*)

TO ALL PARTIES:

On January 15, 2025, the Washington Utilities and Transportation Commission (Commission) entered Order 09/07 in the above referenced dockets to resolve the general rate case filed by Puget Sound Energy (PSE or Company). Order 09/07 authorized PSE to make a compliance filing to effectuate its terms.

On January 21, 2025, PSE filed revised tariff sheets for electric Tariff WN U-60, Tariff G, and natural gas Tariff WN U-2. This filing contained tariff sheets for both Rate Year 1 and Rate Year 2 of the multiyear rate plan authorized by Order 09/07. The Company provided supporting documentation, and the tariff sheets updated PSE's rates for the revenue requirements authorized by the Commission for each of the rate years. Commission Staff (Staff) notes that PSE's compliance filing reflects a revenue requirement for its electric operations of \$378.2 million for its Rate Year 1 and \$191 million for Rate Year 2. This reflects the revenue requirements approved by the Commission modified by the power cost update authorized by Commission, consistent with past practice.

PSE's supporting documents provided an analysis of its calculations regarding electric provisional plant, which removes construction work in progress from rate base per Order 09/07;¹ PSE's power cost baseline, which reflects the Company's Commission-approved fixed production and variable power costs; PSE's natural gas depreciation rates;² and the removal of alternative fuel investment from natural gas rate base.³

¹ Order 09/07, ¶ 250.

² Order 09/07, ¶ 337.

³ Order 09/07, ¶ 468.

Staff notes that PSE was required to both set the parity ratio for special contracts to 2.08⁴ and to separately track and assign costs to Schedule 88T.⁵ Separately tracking and assigning costs to Schedule 88T caused the parity ratio for special contract class to increase by 0.01 to 2.09, resulting in the special contracts customer class paying slightly more while other classes (except 88T) paying less.

On January 28, 2025, Commission staff (Staff) filed a letter in this docket informing the Commission that Staff has reviewed the Company's compliance filing and believes that it contains sufficient detail with respect to the revised tariff sheets identified in the Company's cover letter. Additionally, Staff agrees with the Company's calculations of the electric provisional plant, the updated power cost baseline, natural gas depreciation rates, and removal of the alternative fuel investment. Therefore, Staff believes that the filing complies with the requirements set forth in Order 09/07 entered by the Commission on January 15, 2025.

The Commission agrees with Staff that PSE's January 21, 2025, compliance filing of revised tariff sheets for electric Tariff WN U-60, Tariff G, and natural gas Tariff WN U-2 complies with Order 09/07.

JEFF KILLIP
Executive Director and Secretary

⁴ Order 09/07, ¶ 291, Table 4.

⁵ Order 09/07, ¶ 280.