



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

UG-220171

Filed via Web Portal

March 15, 2022

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

Received
Records Management
03/15/22 13:50
State Of WASH.
UTIL. AND TRANSP.
COMMISSION

**Re: Affiliated Interest Filing Pursuant to WAC 480-90-245 and RCW 80.16
Temporary LNG and Natural Gas Purchase and Sales Agreement
UG-22_____**

Dear Ms. Maxwell:

Pursuant to WAC 480-90-245 and RCW 80.16.020, Puget Sound Energy (“PSE”) hereby tenders for filing an executed copy of the:

- Temporary LNG and Natural Gas Purchase and Sales Agreement between Puget Sound Energy, Inc. and Puget LNG, LLC.

The Temporary LNG and Natural Gas Purchase and Sales (“Temporary Agreement”), between PSE and Puget LNG, LLC (“PLNG”), is a companion agreement to the North American Energy Standards Board Base Contract for Sale and Purchase of Natural Gas (“NAESB Base Agreement”), and the Transaction Confirmation entitled the Gas Supply Services Agreement (“GSSA”), both filed February 18, 2021 in Docket UE-210111. The Agreement is entered into at the request of the LNG Plant Operator and is a single transaction confirmation to buy vaporized LNG and sell back the same quantity of natural gas in approximately 14 days.

The GSSA did not contemplate the circumstance that requires the need for this temporary agreement, but did allow for a Deferred Exchange which is effectively the reverse of the transaction described here. PLNG has determined that it has operating flexibility to coordinate with PSE to allow the vaporization into the PSE system of a defined amount of PLNG’s inventory and the subsequent re-liquefaction of the same quantity of gas in order to increase the methane content of stored LNG in the Tacoma LNG facility. PSE has determined that it has operating flexibility to coordinate with PLNG to allow the vaporization into the PSE system of a defined amount of PLNG’s inventory and the subsequent re-supply of the same quantity of natural gas in order to increase the methane content of stored LNG in the Tacoma LNG facility.

Ms. Amanda Maxwell

March 15, 2022

Page 2

Pursuant to paragraph 3.1 of the Temporary Agreement, the effective date “shall be March 15, 2022.”

This agreement is consistent with the public interest in that it allows for the optimum operation of the facility.

PSE has designated certain portions of the Agreement as Confidential under RCW 80.04.095 and in accordance with WAC 480-07-160(2)(b). The information labeled as Confidential in the Agreement includes commercially sensitive data and confidential information related to charges and certain elements of pricing, which could expose PSE to competitive injury if disclosure is unrestricted.

If you have any questions about the information contained in this filing, please contact Chris Schaefer at 425-456-2932 or chris.schaefer@pse.com. If you have any other questions, please contact me at (425) 456-2105.

Sincerely,

/s/ Susan Free

Susan E. Free

Director, Revenue Requirements & Regulatory Compliance

Puget Sound Energy

PO Box 97034, EST-07W

Bellevue, WA 98009-9734

425-456-2105 / susan.free@pse.com

cc: Lisa Gafken, Public Counsel
Dave Gomez, Commission Staff

Attachments:

Temporary LNG and Natural Gas Purchase and Sales Agreement Confidential Version

Temporary LNG and Natural Gas Purchase and Sales Agreement Redacted Version