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Jeff Killip, Executive Director and Secretary
 Washington Utilities and Transportation Commission
 621 Woodland Square Loop SE
 Lacey, WA 98503

**RE: Advice No. 2024-32
 Puget Sound Energy's Electric Tariff Revision**

Dear Executive Director Killip:

Pursuant to RCW 80.28.060, and 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" or "the Company"):

WN U-60 - (Electric Tariff):

22 nd Revision	Sheet No. 129	Low Income Program
8 th Revision	Sheet No. 129-A.1	Low Income Program (Continued)
22 nd Revision	Sheet No. 129-B	Low Income Program (Continued)
21 st Revision	Sheet No. 129-C	Low Income Program (Continued)
23 rd Revision	Sheet No. 129-D	Low Income Program (Continued)
21 st Revision	Sheet No. 129-E	Low Income Program (Continued)
20 th Revision	Sheet No. 129-F	Low Income Program (Continued)
21 st Revision	Sheet No. 129-G	Low Income Program (Continued)
12 th Revision	Sheet No. 129-H	Low Income Program (Continued)
10 th Revision	Sheet No. 129-I	Low Income Program (Continued)

The purpose of this filing is to convey PSE's annual low income compliance filing¹. The benefits under Schedule 129 are available to PSE customers meeting the criteria described within that

¹ As provided for in,

- 1) Exhibit G to the Settlement Stipulation Agreement approved by the Commission in Dockets UE-011570 and UG-011571 (the "Settlement"), and as ordered
- 2) by the Commission in Order 08 in Dockets UE-060266 and UG-060267 (Consolidated), and
- 3) the Multiparty Settlement Stipulation in Docket U-072375 and the Partial Settlement in Dockets UE-072300 and UG-072301, and
- 4) the Supplemental HELP funding adjustment described in PSE's initial brief in Dockets UE-090704 and UG-090705 (Consolidated), and as ordered by
- 5) the Commission in Order 08 in Dockets UE-111048 and UG-111049 ("Order 08"), and

Schedule and pay for any charges on their electric bills. Schedule 129 funds PSE's Low Income Programs for customers who are eligible per RCW 19.405.020(19), which is the definition of low-income customers from the Clean Energy Transformation Act ("CETA"). Schedule 129 rates fund PSE's grant-based bill assistance program Home Energy Lifeline Program ("HELP"), and provides administrative fees for community action partnership agencies ("CAPs"/"CAAs") to administer the Federal Low Income Weatherization Program ("LIHEAP") and PSE's HELP programs, subject to approved Annual Caps. Program years for LIHEAP and PSE HELP run from October 1 through September 30 of each year. Schedule 129 also funded PSE's COVID-19 Crisis Affected Customer Assistance Programs ("CACAPs"). As discussed further, beginning with 2024-2025 program year, PSE proposes to recover the costs of PSE's new arrearage management program in this filing, as well as incorporates other relevant adjustments to the caps to determine the final proposed Revenue Requirement.

This filing proposes an increase in the total electric low income program electric revenue requirement by \$17,105,904, which represents an increase from revenue requirement currently set under Docket UE-230694 and additional out-of-cycle funding in Docket UE-240194. However, as the Schedule 129 out-of-cycle rates in Docket UE—240194, were set for a five-month period starting May 1, 2024 through September 30, 2024, the change in revenue requirement results in an average overall decrease to rates for electric customers of 1.14 percent. The typical residential customer using 800 kWh per month would experience a decrease of \$1.59 per month or 1.40 percent.

The revised level of funding, revenue requirement and prior year collections are detailed in work papers provided with this filing. Key changes in the revenue requirement are as follows:

- The change in revenue requirement includes an increase to the Annual Cap of twice the residential base rates increase as approved in Order 24/10 in Dockets UE-220066, UG-220067, and UG-210918 (Consolidated) and RCW 80.28.425(2).
- Additionally, the filing includes another increase to the Annual Cap as a result of the Decoupling Bill Impact in Dockets UE-240221 and UG-240222.
- For the 2024-2025 Program year, the Company now has a Commission-approved Arrearage Management Plan ("AMP"), also referred to as Past Due Bill Forgiveness. PSE has included the revenue requirement to fund the AMP in this filing. Past Due Bill Forgiveness will incrementally reduce a Customer's past due balance, or "arrearage", in the form of a bill credit over 12 bill periods by providing an incentive for each, on-time payment of a Customer's current bill (the bill credit equaling one-twelfth of the past due balance), with a maximum benefit of \$2,500 per enrollment. To enroll in this new bill assistance program, customers will need to have received a PSE HELP grant assistance

6) the Commission in Order 07 in Dockets UE-121697 and UG-121705 (Consolidated) issued jointly with Order 07 in Dockets UE-130137 and UG-130138 (Consolidated) ("Order 07"), and as ordered by

7) the Commission in Dockets UE-170033 and UG-170034 (Consolidated), and as ordered by

8) the Commission in Order 08 in Dockets UE-190529 and UG-190530 (Consolidated)("Order 08").

and be enrolled in PSE's Bill Discount Rate ("BDR"). Customers also must have a balance of at least \$300 that is at least 30 days past due. The proposed forecasted amount to collect for AMP funding was determined by analyzing the current enrollees in the Company's Bill Discount Rate and their qualifying arrearage amounts (\$300 to \$2,500 at least 30 days past due) remaining after receiving PSE HELP. The remaining arrearages were then reduced by the average PSE HELP grant for the 2023-2024 Program year, as all customers participating in Bill Discount Rate will be eligible to receive a PSE HELP grant for the 2024-2025 Program year. Any customers whose arrearages were then below \$300 were removed from the calculation, and any customers whose arrearages were greater than \$2,500 were considered to be a maximum of \$2,500, as that is the maximum benefit available under the AMP. For participating customers who receive both electric and natural gas service from the Company, their arrearages were split so that 62.77% of the arrearage amount was included with the calculation of electric need and 37.23% was included with natural gas need. This split is based on the average split of arrearages. Starting in this upcoming 2024-2025 program year, PSE proposes to include the AMP funding in the Annual Cap.

- PSE has continued to calculate the Annual Cap by applying the Electric/Gas allocation percentages to the combined total after the application of the increases for the 2022 GRC and decoupling filings discussed above. This methodology was initially introduced in the substitute filing in Docket UE-230694 and UG-230695 at the request of Commission Staff and The Energy Project and continues to be utilized in this filing.
- The calculation also incorporates an increase to the Washington State Utility and Transportation ("UTC") regulatory fee.
- This filing also makes the correction to remove the 2022 SQI #5 benchmark that was erroneously included in last year's revenue requirement² as such treatment does not follow the appropriate methodology established as described in the Commission's Order 05 in Docket UE-220216. All of the following SQI Penalties - 2021 SQI #4, 2021 SQI #11 and 2022 SQI #5 - were then added to increase the total funding distributed to Agencies, but was not included as a part of the Revenue Requirement set in rates, which does follow the appropriate methodology³.
- Finally, as actual data for the last 3 months of the prior program year was not available at the time of preparation for the Revenue Requirement, this filing includes the forecasted revenue collection of three months (July, August, and September 2024) to estimate the total collection for the prior program year. These forecasted numbers will be trued-up in the subsequent year's filing.

² Dockets UE-230694 and UG-230695

³ The Commission in Order 05 – Granting Clarification in Docket UE-220216

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Pertaining to the five percent revenue requirement limit described in RCW 80.28.425 (2), PSE has performed the limit test and the results show that the level of recovery for spending on tariffs that reduce the energy burden of low income residential customers, including this tariff filing, are currently measured at 3.3% (Electric) and 3.5% (Gas) of the total revenue requirement approved by the Commission.

The tariff sheets described herein reflect an issue date of August 29, 2024, and effective date of October 1, 2024. 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 the public under the provisions of WAC 480-100-194 will be provided within 30 days of the October 1, 2024, effective date.

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 birud.jhaveri@pse.com.

Sincerely,

/s/ Birud D. Jhaveri

Birud D. Jhaveri
Director, Regulatory Affairs
Puget Sound Energy
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cc: Tad O'Neill, Public Counsel
Sheree Carson, Perkins Coie

Attachments: Electric Tariff Sheets (listed above)
Work Papers