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

PSE.com

June 1, 2021

Mr. Mark Johnson **Executive Director and Secretary** Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, WA 98503

RE: Pipeline Replacement & Methane Emission Reduction Programs

Dear Mr. Johnson,

The purpose of this filing, in accordance with the Commission's Policy on Accelerated Replacement of Pipeline Facilities with Elevated Risk in Docket No. UG-120715 ("Policy Statement"), is to submit a new two-year Pipeline Replacement Program Plan ("PRPP") for replacement of facilities that could pose an elevated risk of failure. As explained in more detail in the PRPP, Puget Sound Energy ("PSE") has also incorporated for the first time three new Distribution Integrity Management Program ("DIMP") accelerated actions to reduce leaks on the system that contribute to methane emissions in accordance with RCW 80.28.420 and House Bill 2518 for inclusion in the PRPP and associated future Cost Recovery Mechanism for Pipeline Replacement.

In prior years this submission has occurred with a tariff filing under PSE natural gas Supplemental Schedule 149, Cost Recovery Mechanism for Pipeline Replacement ("CRM"). In 2020, Commission Staff and PSE explored a suspension of non-essential filing requirements due to the reduction of non-essential services created by the statewide Stay Home Stay Healthy order, and agreed that the initial filing of PSE's CRM could occur in September 2020 rather than its usual scheduled June filing timeline. PSE and Commission Staff have again agreed it would be appropriate to delay the initial CRM filing until August 2021.

Please contact Stacy Smith at (425) 457-5854 should you have any questions.

Regards,

/s/ Susan Free

Susan Free Director, Revenue Requirements and Regulatory Compliance Puget Sound Energy / PO Box 97034 / EST-07W Bellevue, WA 98009-9734 / 425-456-2105 susan.free@pse.com

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

Attachment: 2021 PRPP