



Puget Sound Energy  
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[pse.com](http://pse.com)

November 15, 2022

***Filed Via Web Portal***

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

**Re: 2023 Annual Conservation Plan  
Dockets UE-210822 and UG-210823**

Dear Ms. Maxwell,

Consistent with requirements outlined in WAC 480-109-120(2), Puget Sound Energy (“PSE”) presents its 2023 Annual Conservation Plan (“ACP”), which provides updates and revisions to its 2022-2023 Biennial Conservation Plan (“BCP”). The 2023 ACP update, combined with the 2022 year-end forecast, create a biennial forecast that does not meet the two-year Energy Independence Act target. Electric is short of its target by 0.4%, while natural gas is short by 4.0%. However, PSE will continue to adaptively manage its programs throughout the biennium to maximize savings acquisition.

The 2023 ACP contains notable changes from the 2022-2023 BCP that have been discussed with the Conservation Resource Advisory Group (“CRAG”). Changes include the savings accounting for the Home Energy Report program shifting from a two-year to a one-year measure life. Also in the report are descriptions of PSE’s increased emphasis on equity. Examples of this are found in the “CETA Focus” section as well as the individual program discussions, each of which contain an “Equity Focus” section. Additionally, the ACP contains a demand response discussion and budget for PSE-specific implementation administrative costs in 2023.

The filing contains the following documents:

- ACP
- Exhibit 1: Savings and Budgets
- Exhibit 2: Cost-Effectiveness Calculations
- Exhibit 3: Program Details
- Exhibit 5: NEEA’s 2023 Plan for Puget Sound Energy

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The ACP contains extensive discussions on the key revision drivers of electric and natural gas savings and budgets that were originally indicated in the 2022-2023 BCP filed on November 1, 2021. The Exhibit 1 workbook contains pages (“Electric Comparison” & “Nat Gas Comparison”) which detail comparisons of originally-planned 2023 savings and expenditures to updated values.

Table 1 provides Portfolio 2023 savings and planned expenditures for both electric and natural gas sectors, with comparisons to the originally-indicated values.

Table 1: Updated 2023 Portfolio Savings and Planned Expenditures

| 2023 Energy Efficiency |                      |               |                    |               |             |             |
|------------------------|----------------------|---------------|--------------------|---------------|-------------|-------------|
| Portfolio Amounts      |                      |               |                    |               |             |             |
|                        | Originally-Indicated |               | Updated ACP Values |               | Revised TRC | Revised UCT |
|                        | Savings              | Budgets       | Savings            | Budgets       |             |             |
| Electric               | 239,026 MWh          | \$116,689,016 | 251,673 MWh        | \$122,793,213 | 1.48        | 1.90        |
| <i>Percent Change</i>  |                      |               | 5.3%               | 5.2%          |             |             |
| Natural Gas            | 3,572,307 Therms     | \$23,618,987  | 4,393,239 Therms   | \$26,480,546  | 1.01        | 1.30        |
| <i>Percent Change</i>  |                      |               | 23.0%              | 12.1%         |             |             |
| Total Budget           |                      | \$140,308,004 |                    | \$149,273,760 |             |             |
| <i>Percent Change</i>  |                      |               |                    | 6.4%          |             |             |

Table 2 shows the originally filed Portfolio 2022-2023 Total Utility Conservation Goal compared to the 2022 year-end forecast plus filed 2023 ACP. The table shows an expected biennial electric savings shortfall of 0.4% and a natural gas savings shortfall of 4.0%.

Table 2: 2022-2023 Total Utility Conservation Goal Forecast

| 2022-2023 Energy Efficiency             |                  |               |                             |               |  |
|---|------------------|---------------|-----------------------------|---------------|--|
| Total Utility Conservation - Projection |                  |               |                             |               |  |
|   | 2022-2023 BCP    |               | 2022 YE Forecast + 2023 ACP |               | Revised TRC  |
|   | Savings          | Budgets       | Savings                     | Budgets       |  |
| Electric                                | 537,698 MWh      | \$240,105,807 | 535,758 MWh                 | \$236,056,055 | 2-year TRC will be calculated in the 2022-2023 Biennial Conservation Report. |
| <i>Percent Change</i>                   |                  |               | -0.4%                       | -1.7%         |  |
| Natural Gas                             | 9,890,520 Therms | \$48,523,531  | 9,491,518 Therms            | \$52,064,752  |  |
| <i>Percent Change</i>                   |                  |               | -4.0%                       | 7.3%          |  |
| Total Budget                            |                  | \$288,629,338 |                             | \$288,120,808 |  |
| <i>Percent Change</i>                   |                  |               |                             | -0.2%         |  |

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Consistent with WAC 480-109-110(3), PSE provided an electronic version of the ACP files to its CRAG on October 14, 2022.

Please contact Chris Schaefer at (425) 456-2932 for additional information about this filing. If you have any other questions, please contact me at (425) 456-2142.

Sincerely,

*/s/ Jon Piliaris*

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Enclosures

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

Attachments:

210822-210823-PSE-2023-Annual-Conservation-Plan-(11-15-22).pdf  
210822-210823-PSE-2023-ACP-Exh-1-Savings-and-Budgets-(11-15-22).xlsm  
210822-210823-PSE-2023-ACP-Exh-2-Cost-Effectiveness-(11-15-22).xlsx  
210822-210823-PSE-2023-ACP-Exh-3-Program-Details-(11-15-22).pdf  
210822-210823-PSE-2023-ACP-Exh-5-NEEA-2022-2023-Planned-Activities-Rpt-(11-15-22).pdf