

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Dockets UE-190529 & UG-190530  
Puget Sound Energy  
2019 General Rate Case**

**AWEC DATA REQUEST NO. 054:**

Referring to Exh. DAH-4T at 4:13-16, please detail why a \$4 million permit fee was paid by the Company for “city-required” and “city-performed” mitigation measures. Within your discussion, please reference and/or provide all city regulations or other authority requiring the Company to pay a fee for mitigation measures performed by the City of Tacoma.

**Response:**

In October 2015, the City of Tacoma (“City”) issued the Final Environmental Impact Study (“FEIS”) for Puget Sound Energy’s (“PSE”) proposed liquefied natural gas (“LNG”) project. The LNG project includes construction of the gas distribution system upgrades described in the Prefiled Direct Testimony of Duane A. Henderson, Exh. DAH-1T, and in the Prefiled Rebuttal Testimony of Duane A. Henderson, Exh. DAH-4T. The impacts of the gas distribution system upgrades were described in the FEIS, and the FEIS also identified mitigation measures that could be undertaken to mitigate the impacts of the LNG project, including the gas distribution system upgrades. The City has authority to impose mitigation measures under WAC 197-11-660 and Tacoma Municipal Code 13.12.810.

In November 2015, after publication of the FEIS and in consideration of the mitigation measures identified in the FEIS, the City and PSE entered into a mitigation agreement describing, among other things, the mitigation payment imposed by the City on PSE that would be necessary to mitigate the City-identified impacts of the LNG project and the gas distribution system upgrades. The City required PSE to pay the City the mitigation payment to fund the City’s completion of several mitigation projects, including repaving five miles of Taylor Way.