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

March 31, 2021

State Of WASH.
JTIL. AND TRANSP.
COMMISSION

Filed Via Web Portal

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

Re: Advice No. 2021-10

PSE's Natural Gas Tariff Filing - Filed Electronically

Dear Mr. Johnson:

Puget Sound Energy ("PSE") hereby submits proposed revisions to rates under its natural gas Schedule 142, Revenue Decoupling Adjustment Mechanism. This filing, pursuant to RCW 80.28.060 and Chapter 480-80 WAC, proposes revisions to the following natural gas tariff sheets:

WN U-2 - (Natural Gas Tariff):

10th Revision of Sheet No. 1142-D – Revenue Decoupling Adjustment Mechanism (Continued) 6th Revision of Sheet No. 1142-E – Revenue Decoupling Adjustment Mechanism (Continued)

The purpose of this filing is to implement changes to rates under the established Revenue Decoupling Adjustment Mechanism, as provided in the Commission's Order 08 in Dockets UE-170033 and UG-170034 (consolidated) ("Order 08"). PSE will submit its Commission Basis Report (compliant with WAC 480-90-257) for the twelve months ending December 2020 which also supports the Earnings Test calculation in this filing.

Schedule 142 is a mechanism for adjusting rates, both up or down, for defined Decoupled Customers. Gas Decoupled Customers include those customers receiving service under Schedules 23, 53, 31, 31T, 41, 41T, 86 and 86T ("Decoupled Customers"). The rates calculated for Decoupled Customers in this filing represent a deferral true-up of the difference between allowed and actual volumetric decoupling revenue during calendar year 2020.

Consistent with the requirements of Order 08, the rates proposed herein reflect the results of the Earnings Test, in accordance with Paragraph 308 of Order 08. The Earnings Test is derived from the results of the Commission Basis Report, excluding normalized adjustments. The Earnings

Mr. Mark L. Johnson March 31, 2021 Page 2 of 2

Test resulted in a rate of return that was less than the authorized rate of return. Accordingly, this filing incorporates no earnings share to customers.

This proposal represents an average increase in overall bills of 1.52 percent for Decoupled Customers and a revenue increase of \$15 million. However, some rate schedules would see a decrease. The typical residential customer using 64 therms per month would experience an increase of \$0.65 per month.

The tariff sheets described herein reflect an issue date of March 31, 2021, and effective date of May 1, 2021. Posting of proposed tariff changes, as required by WAC 480-90-193, is being accomplished by posting the proposed tariff sheets on the PSE web site coincident with the date of this transmittal letter. Notice to the public under the provisions of WAC 480-90-194 will be provided within 30 days of the requested May 1, 2021 effective date.

Please contact Veronica Martin at <u>veronica.martin@pse.com</u>, or Lena Zakharova at <u>lena.zakharova@pse.com</u> for additional information about this filing. If you have any other questions, please contact me at (425) 456-2142.

Sincerely,

/s/ Jon A. Piliaris

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cc: Lisa Gafken, Public Counsel Sheree Carson, Perkins Coie Ed Finklea, NWIGU

Attachments: Natural Gas Tariff Sheets, listed above Work Paper