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January 28, 2022

UE-180860

UG-180861

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

Re: PSE Electric and Natural Gas Schedules 171 Status Reporting Per Order 01 of Dockets UE-180860 and UG-180861

Dear Ms. Maxwell:

Pursuant to Order 01 of Dockets UE-180860 and UG-180861, Puget Sound Energy ("PSE") provides its fourth report of its electric and natural gas Schedules 171 implementation status. PSE's electric and natural gas Schedules 171 provide the Optional Non-Communicating Meter ("NCM") Service for residential customers, which is consistent with the Commission's Policy on Customer Choice for Smart Meter Installation under Docket U-180117. The enclosed Meter Upgrade Project and Schedules 171 Implementation Status Report reflects the status of PSE's Meter Upgrade Project and Schedules 171 customer requests and accounting records as of December 31, 2021.

For the past 20 years, PSE has been on an automated meter reading ("AMR") platform. With the exception of a small group of specialized or isolated meters that require manual reading, nearly 100% of the electric and natural gas meters have been read automatically. Because the AMR infrastructure is aging and metering technology is advancing, PSE is in the process of exchanging its AMR network and metering equipment with advanced metering infrastructure ("AMI") *i.e.*, PSE's Meter Upgrade Project. It is a six-year project and scheduled to be completed in 2023. This project will eventually replace approximately 1.2 million AMR electric meters and 840,000 natural gas AMR modules across all ten counties in PSE's service territory with facilities that are compatible with AMI technology.

In order to make the optional NCM service ready on July 1, 2019, PSE's preparation started in 2018. PSE has established the manual meter reading process that works with the existing information technology infrastructure and available resource. In addition to those tailored information systems changes for metering, tracking, billing, and reporting, PSE also has set up dedicated customer care staff and communication processes to support residential Customers who are interested in a non-communicating meter.

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As indicated in the January 2020 Meter Upgrade Project and Schedules 171 Implementation Status Report, PSE has moved forward with contracting out manual meter reading services with an independent contractor. In this report, PSE includes the costs regarding the one-time set up fee and the annual fixed charge associated with this manual meter reading services contract and the costs associated with the ongoing manual metering reading that PSE has been invoiced as of December 31, 2021.

The attached report provides, as of December 31, 2021, the results and discussions pertaining to the implementation of electric and natural gas Schedules 171 for the following topics:

- 1. status of PSE's Meter Upgrade Project, including geographic areas where AMI meters have been installed and the number of meters installed;
- 2. information on customer communications, including the number of customers who have informed PSE of their Initial Request for service under Schedule 171;
- 3. the number of customers on electric and natural gas Schedules 171, including a) the number disconnected for non-payment, b) the number receiving bill payment assistance, and c) status of their Schedule 171 One-Time Charge payment;
- 4. PSE costs associated with the implementation of electric and natural gas Schedules 171, including capital costs and maintenance costs for information systems, meter exchange, meter reading, and other related costs;
- 5. revenues associated with electric and natural gas Schedules 171;
- 6. the number of Initial Requests that did not result in a submitted and completed Service Request;
- 7. the number of electric and natural gas Schedules 171 customers who discontinued service on Schedule 171; and
- 8. a discussion of other issues associated with providing service under electric and natural gas Schedules 171.

Please contact Mei Cass at (425) 462-3800 or Veronica Martin at (425) 457-5624 for additional information about this filing. If you have any other questions please contact me at (425) 456-2142.

Sincerely,

/s/Jon Pílíarís

Jon Piliaris Director, Regulatory Affairs Puget Sound Energy PO Box 97034, EST-07W Bellevue, WA 98009-9734 (425) 456-2142 Jon.Piliaris@pse.com Ms. Maxwell January 28, 2022 Page 3 of 3

cc: Lisa Gafken, Public Counsel Amy White, UTC Andrew Roberts, UTC

Attachment: UE-180860-UG-180861-PSE-5th-Mtr-Upgrade-Project-Sch-171-Status-Rpt-(1-28-22).docx