

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

March 1, 2019

Filed Via Web Portal

Mr. Mark L. Johnson, Executive Director and Secretary Washington Utilities and Transportation Commission P.O. Box 47250 Olympia, WA 98504-7250

Re: Advice No. 2019-07 PSE's Natural Gas Tariff Filing - Filed Electronically

Dear Mr. King:

Puget Sound Energy ("PSE") hereby submits proposed revisions to its Schedule 120, Natural Gas Conservation Service Rider. This filing, pursuant to RCW 80.28.060 and Chapter 480-80 WAC, proposes revisions in the following natural gas tariff sheet.

<u>WN U-2 - (Natural Gas Tariff)</u>: 24th Revision of Sheet No. 1120 - Schedule 120, Natural Gas Conservation Service Rider

The primary purpose of this filing is to implement changes to rates under the conservation rider mechanism, as provided in Exhibit F to the Settlement Stipulation Agreement approved by the Commission in Dockets UE-011570 and UG-011571. The secondary purpose is to update the Rate section language. Specifically, the purpose of this filing is to change the Natural Gas Conservation Service Rider charges in order to reflect actual costs and collections over the past years for conservation programs and the estimated expenditures during the 2019 program year. This filing reflects increased amounts budgeted for the upcoming year and the true-up (and approval) of actual costs and actual collections during prior years.

The target level for acquisition of natural gas energy efficiency resources for the two-year period 2018 and 2019 is 6.16 million therms of first-year savings, reported at the customer meter. This target was set after being discussed with the Conservation Resource Advisory Group ("CRAG") and was presented to the Commission in Docket UG-171088.

Overall, this proposal represents an increase in the conservation revenue requirement of \$1.7 million which results in an average 0.13% increase for affected customers' bills. Sales service schedules for natural gas service are affected by this increase. There is no impact to customers taking transportation service under Schedules 31T, 41T, 85T, 86T, 87T and special contracts, as they are not billed under the Natural Gas Conservation Service Rider. Sales service schedules for

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natural gas service will experience a small increase. The typical residential customer using 64 therms per month would experience an increase to their monthly bill of \$0.07.

In addition to the rate changes noted above, the secondary purpose of the filing is to eliminate historical language that required a rate increase be 0.5 cents per therm or greater.

The tariff sheet described herein reflects an issue date of March 1, 2019, an effective date of May 1, 2019. Posting of proposed tariff changes, as required by WAC 480-90-193, is being accomplished by posting the proposed tariff sheet on the PSE web site coincident with the date of this transmittal letter. PSE will follow the public notice provisions under WAC 480-90-194 and provide public notice within 30 days of the requested effective date of May 1, 2019.

Please contact Julie Waltari at (425) 456-2945 for additional information about this filing. If you have any other questions please contact me at (425) 456-2142.

Sincerely,

/s/ Jon A. Pílíarís

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

Attachments: Natural Gas Tariff Sheet, listed above Revenue Requirement Work Papers Cost of Service Work Papers