



Puget Sound Energy
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April 1, 2019

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

**Re: Advice No. 2019-17
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 in the following natural gas tariff sheets:

WN U-2 - (Natural Gas Tariff):

- 8th Revision of Sheet No. 1142-D – Revenue Decoupling Adjustment Mechanism (Continued)
- 4th 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 (Final Order) in Dockets UE-170033 and UG-170034 (consolidated). Under Docket UG-190212, PSE has submitted its Commission Basis Report for the twelve months ending December 2018 which also supports the Earnings Test calculation in this filing. Schedule 142 is a mechanism for adjusting rates, both up and down, for defined Decoupled Customers. 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 true-up the deferral of the difference between allowed and actual volumetric decoupling revenue during calendar year 2018.

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 submitted on March 28, 2019, excluding normalizing

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

This proposal represents an average decrease in overall bills of 5.3 percent for Decoupled Customers and a revenue decrease of 45.9 million. All Decoupled Customers' rate schedules are affected by the change and will experience a decrease in rates. The typical residential customer using 64 therms per month would experience a decrease of \$3.97 per month.

The tariff sheets described herein reflect issue dates of April 1, 2019, and effective dates of May 1, 2019. 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 is being provided through a published notice.

Please contact Lena Zakharova (425) 462-3539 or 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. Piliaris

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

Attachments:
Natural Gas Tariff Sheets (listed above)
Work Papers