



Puget Sound Energy
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PSE.com

February 28, 2020

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. 2020-06
PSE's Natural Gas Tariff Filing - Filed Electronically**

Dear Mr. Johnson:

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.

WN U-2 - (Natural Gas Tariff):

25th Revision of Sheet No. 1120 – Supplemental Schedule 120, Natural Gas Conservation Service Rider

The 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. 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 2020 program year. Overall, this proposal represents an increase in the conservation revenue requirement of \$3.0 million which results in an average 0.4% increase in customers' bills. Firm 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. The typical residential customer using 64 therms per month would experience an increase to their monthly bill of \$0.23.

The target level for acquisition of natural gas energy efficiency resources for the two-year period 2020 and 2021 is 7.77 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-190913.

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The 2020 Energy Efficiency natural gas budget, included in the attached work papers as “2020 Budget (Rvsd) UE-190905”¹ reflects a revised Portfolio total that differs from the originally-filed 2020-2021 Biennial Conservation Plan (“BCP”), in Docket UG-190913. During PSE’s Schedule 120 filing preparation, it was discovered that there were two missing spreadsheet links in the Program Support sector. When the links were corrected, the result was a \$195,690 variance: \$17,203,342 in the original filing, and \$17,399,032² in the aforementioned work papers spreadsheet.

PSE is preparing for its April 15 revised 2020-2021 conservation petition filing.³ The updated and correct Exhibit 1 budget amounts will be included, and will reflect not only the expected budgets required to achieve additional savings, but also the corrected budget figures.

The tariff sheet described herein reflects an issue date of February 28, 2020, and effective date of May 1, 2020. 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. Notice to the public under the provisions of WAC 480-90-194 will be provided within 30 days of the requested May 1, 2020 effective date.

Please contact Veronica Martin at (425) 457-5624 or veronica.martin@pse.com, or Julie Waltari at (425) 456-2945 or julie.waltari@pse.com for additional information about this filing. If you have any other questions, please contact me at (425) 456- 2142.

Sincerely,

/s/ Jon A. Piliaris

Jon A. Piliaris
Director, Regulatory Affairs
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¹ This spreadsheet is an extract of PSE’s BCP Exhibit 1: *Savings and Budgets*.

² This is the total budgeted expenditure figure before adding “Anticipated Updated BCP Costs” in “2020 Budget (Rvsd) UE-190905”. Other than the noted error, there is no increase in the natural gas 2020-2021 budgets resulting from the incorporation of CETA requirements.

³ Consistent with the Commission’s condition (1)(b) in Attachment A of Order 01 in Docket UE-190905, PSE filed a 2020-2021 Biennial Conservation Plan that did not incorporate some requirements of CETA: primarily the incorporation of the social cost of greenhouse gas emissions. Condition (1)(b) requires PSE to submit an updated 2020-2021 electric target that incorporates the social costs of greenhouse gas emissions by April 15, 2020.

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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