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

August 5, 2022

Filed Via Web Portal

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

Re: Advice No. 2022-15 PSE's Natural Gas Tariff Revision

Dear Ms. Maxwell:

Puget Sound Energy ("PSE") hereby submits proposed revisions to rates under its natural gas Supplemental Schedule 149, Cost Recovery Mechanism for Pipeline Replacement ("CRM"). This filing, pursuant to RCW 80.28.060 and Chapter 480-80 WAC, proposes changes to the following natural gas tariff sheet:

<u>WN U-2, (Natural Gas Tariff)</u>: 10th Revision of Sheet No. 1149 - Cost Recovery Mechanism for Pipeline Replacement (CRM)

The purpose of this tariff filing is to comply with the Commission's Policy on Accelerated Replacement of Pipeline Facilities with Elevated Risk in Docket UG-120715 ("Policy Statement"). This CRM filing includes the true-up of the forecasted October 2021 costs from last year's CRM filing (UG-210678) to actual costs. An attachment and work papers supporting this proposal are included in the filing.

PSE is submitting the first of its two filings. This first filing reflects actual costs from November 1, 2021, through July 31, 2022, and projected costs from August 1, 2022 through October 31, 2022. The second filing follows the Policy Statement, which provides that each company will update the projected costs with actual costs incurred for the months of August and September. PSE expects to submit such an update in mid-October of 2022 to revise the rates on the enclosed tariff sheet to reflect the updated costs.

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PSE's pending general rate case in Docket UG-220067 includes forecasted CRM investments in the proposed multiyear rate plan. Provided that the Commission approves PSE's request related to the recovery of its CRM investments, the final Schedule 149 rates from this docket will be in effect until the date that rates from the general rate case become effective, at which time Schedule 149 rates will be set to zero.

This preliminary proposal represents an overall increase in revenue of \$5.6 million or 0.54 percent in overall bills for all natural gas customers. The typical residential customer using 64 therms per month will experience a bill increase of \$0.44 per month or 0.58 percent.

The tariff sheet described herein reflects an issue date of August 5, 2022, and an effective date of November 1, 2022. Posting of proposed tariff changes, as required by WAC 480-90-193, is being made by posting the proposed tariff sheet on the PSE web site coincident with the date of this transmittal letter. Publication of the proposed increase to rates, in accordance with WAC 480-90-194, will be completed through a published notice at least 30 days prior to the November 1, 2022 effective date of this filing.

Please contact Stacy Smith at (425) 457-5854 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 Piliaris

Jon Piliaris Director, Regulatory Affairs Puget Sound Energy PO Box 97034, EST-10W Bellevue, WA 98009-9734 425-456-2142 Jon.Piliaris@pse.com

cc: Lisa Gafken, Public Counsel Sheree Carson, Perkins Coie

Attachments: Natural Gas Tariff Sheet (listed above) Work Paper – Revenue Requirement Work Paper – Revenue Requirement Summary Orders Work Paper – Rate Design Attachment A