

WN U-2

Original Sheet No. 1183-G

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 183 (Continued)
NATURAL GAS CONSERVATION SERVICE

Section 13. Customers Who Change Provider of Commodity:

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This Section 13 applies only to Customers who have received funding through Schedules 205, 208, 217, 218, 251 or 261 of this tariff under a written grant agreement that includes provisions requiring repayment. Customers who have received funding from PSE for a Conservation Measure or Measures who, after receipt of such funding, have all or a portion of the natural gas provided or delivered by a party other than PSE and thereby no longer contribute to the recovery of costs of Energy Efficiency Programs, except for amounts less than \$100, shall be obligated to refund to PSE, by the due date of PSE's invoice for such refund, an amount equal to the ratio of the unused Measure Life of the Measure to the total Measure Life of the Measure multiplied by the dollar amount of the Conservation funding provided by PSE, for each Measure. The Customer will have the option to enter into an installment plan when amounts owing are greater than \$3,000. Terms of the installment plan will allow the Customer to repay over a period not to exceed 10 years, with a minimum monthly payment of not less than \$250. The monthly installment will be based on a simple annuity calculation, or the minimum monthly installment of \$250, and will include interest at the Company's after tax overall authorized rate of return grossed up for taxes at the time the installment plan is established. The calculation methodology for the interest rate is described below. All funds paid by Customers as repayment of conservation funding and interest will be credited against the Schedule 120 Gas Conservation Tracker account.

The after tax overall authorized rate of return grossed up for taxes shall be calculated as follows: the components of the overall rate of return most recently approved by the state Utilities and Transportation Commission that include the effect of federal income tax are multiplied by 0.65 which when all components are added result in the after tax overall authorized rate of return. The after tax overall authorized rate of return is then divided by 0.65 to yield the after tax overall authorized rate of return grossed up for taxes. For example, the current authorized overall rate of return approved in Docket No. UG-090705 is 8.10%, the after tax overall authorized rate of return is 6.90% which is divided by 0.65 to yield an after tax overall authorized rate of return grossed up for taxes of 10.62%.

This example is shown in detail on Sheet No. 1183-H

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