



May 12, 1992

Mr. Paul Curl, Secretary
Washington Utilities and
Transportation Commission
P. O. Box 9022
FY-11
1300 So. Evergreen Park Dr. SW
Olympia, WA 98504-9022

RECEIVED
92 MAY 14 8 7:48

**Re: Docket No. UE-920499
Notice to Customers**

Dear Mr. Curl:

Enclosed for the Commission staff's review and comment are draft forms of Notice to Customers regarding Puget's recent rate design filing in the above docket. In accordance with WAC 480-80-125, these are the forms of Notice which Puget proposes to send to its customers.

In particular, the Commission staff should note that two separate forms of Notice are proposed to be used: one for residential customers, and a second for all other customers. As you know, Puget in the past has used a single form of notice sent to all classes of customers. We have informally discussed with the Commission staff the possibility of dividing the required notice into two separate forms. Inasmuch as more than 88% of our customers are residential, we believe it is preferable to tailor for these particular customers a notice that is not burdened with information regarding other rate schedules. (Residential customers could still receive information regarding other rate schedules from Puget business offices, or through the mail upon request.)

If you will recall, following the rate increase in October 1991 in Docket No. UE-910626, two separate forms of notices were distributed to customers in accordance with WAC 480-100-041. Enclosed are copies of these notices. (The purple notice went to all residential customers, the green to all other customers.)

We look forward to working with the Commission staff in developing any refinements to the enclosed Notices that will

[07771-0144/BA921320.029]

The Energy Starts Here®

Mr. Paul Curl
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improve the information we give to our customers. Please call me at (206) 462-3716 if you have any questions.

Sincerely,



David Hoff, Director
Rate Planning & Administration

Enclosures

cc: J. M. Van Nostrand
C. F. Adams

Important Notice

PUGET POWER IS PROPOSING TO CHANGE
THE WAY IT CALCULATES YOUR BILL

Docket UE-920499

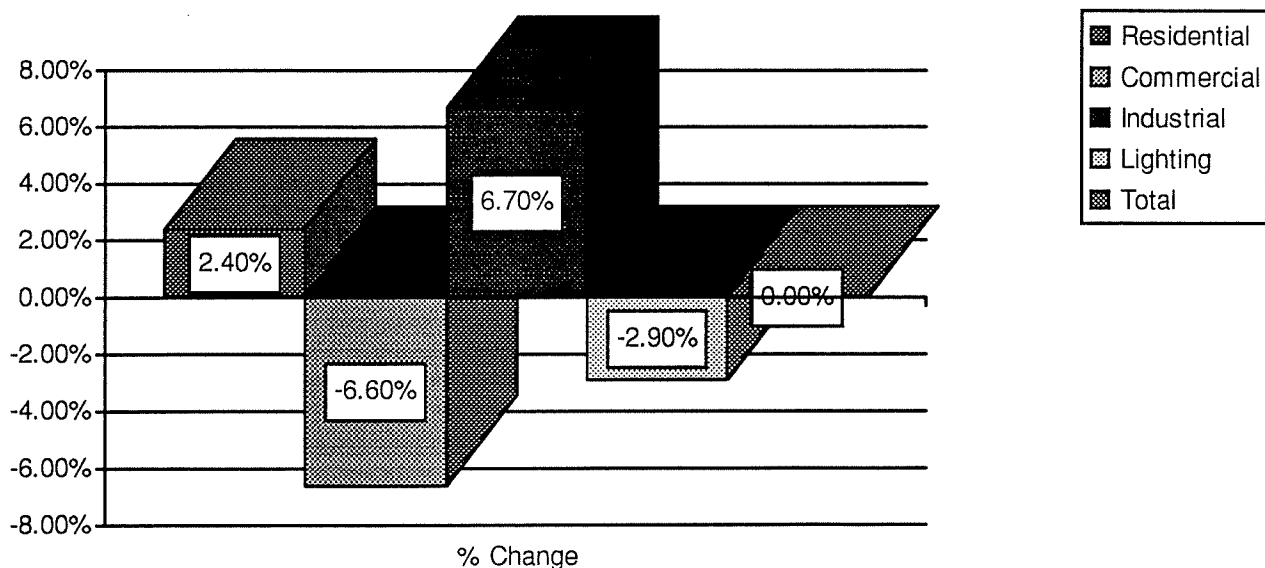
*This Rate Proceeding
May Affect Your Bill*

Information Inside

WHY IS THE COMPANY FILING A RATE CHANGE?

On April 30, 1992, Puget Sound Power & Light Company submitted a rate filing to the Washington Utilities and Transportation Commission. This rate filing does not propose to increase Puget Power's overall revenues. Puget Power is asking only for permission to change the way it calculates its customers' bills. The proposed changes to rates are intended to reflect the actual costs of serving each customer, and to encourage conservation and implementation of Puget Power's integrated resource plan.

This rate filing is in response to an April 1991 order of the Commission which asked Puget Power to look at the manner which it allocates its costs and recovers its revenues from customers. As part of this investigation, Puget Power is proposing changes in the proportion of revenues recovered from its various classes of customers. The chart below reflects the changes in what each class of customer will be asked to pay under Puget Power's request:



Within each class of customers, Puget Power is considering different rate design changes that affect how customers' bills are calculated. Puget Power is also proposing a number of new, optional rate schedules for its customers to consider.

The Commission will be holding hearings on the Company's proposal, which is on file at Puget Power business offices, and at the Commission Office in Olympia. Representatives of the company, the Commission's staff, and others will be offering testimony. If you are interested in commenting on this filing, or would like to be notified of the schedule of hearing dates please write the Commission at the following address:

Secretary, Washington Utilities and Transportation Commission
PO Box 9022
1300 So Evergreen Pk Dr SW
Olympia, WA 98504-9022

Please include your name and mailing address, and indicate that you are inquiring about a Puget Power filing, Docket No. UE-920499. If you need further information about the hearing process, or would like to be added to the mailing list for this case, you may call the Commission at 1-800-562-6150.

A lawyer has been appointed to represent the public. You can reach this "public counsel" by contacting the Commission or by calling or writing:

Mr. Charles Adams
Public Counsel Section
Office of the Attorney General
900 Fourth Avenue, Suite 2000
Seattle, WA 98164
(206)-464-6253

If you cannot attend the public hearing and wish to have your comments included in the hearing record, please send them either to the Commission or to Public Counsel at the addresses set forth above. Your written comments will be presented by Public Counsel at the hearing.

After the hearings are over, the Commission will consider the evidence. It will then announce a decision. It may decide to approve the changes, deny them or approve them with modifications.

Thank you.

Corey. A. Knutsen
Vice President
Puget Sound Power & Light Company

WHAT THIS CHANGE MEANS TO YOU:

Under the proposal residential customers will see bills either increase or decrease depending on amount of use. In general rates for residential customers will increase 2.4%. However, customers using modest amounts of electricity, as indicated below, would actually see a decrease, while those using large amounts of electricity would see an increase.

<u>kWh per Month</u>	<u>October - March</u>		<u>April - September</u>	
	<u>Present</u>	<u>Proposed</u>	<u>Present</u>	<u>Proposed</u>
0	\$4.55	\$5.35	\$4.55	\$5.35
300	\$17.68	\$16.55	\$17.68	\$16.55
600	\$30.82	\$29.72	\$30.82	\$30.62
800	\$40.81	\$41.18	\$40.28	\$41.00
1,000	\$50.80	\$52.65	\$49.74	\$51.37
1,300	\$67.10	\$69.90	\$65.18	\$66.98
1,500	\$77.96	\$81.39	\$75.47	\$77.39
1,800	\$94.25	\$98.64	\$90.91	\$93.00
2,000	\$105.12	\$110.14	\$101.20	\$103.41
3,000	\$159.43	\$167.64	\$152.65	\$155.45

Amounts include Residential and Small Farm Energy Exchange Credit (Schedule 94) and Periodic Rate Adjustment Mechanism, PRAM, (Schedule 100).

6 RESIDENTIAL INTERRUPTIBLE WATER HEATER CREDIT,

Limited, Experimental Credit will only be available to a sample group of residential customers to be determined by the Company. Service under this schedule will require the customer to sign a five year contract with the Company which allows for the interruption of the customer's water heater elements of 7,600 watts or more.

Monthly Rate:

\$5.35 per month credit per hot water heater to be interrupted.

7 RESIDENTIAL SERV.

For domestic use in single family dwellings served through one meter. Domestic and incidental non domestic use.

Monthly Rate:

Basic Charge: \$5.35 single phase or \$12.30 three phase plus:

Energy Charge:

	<u>Base</u> <u>Rate</u>	<u>PRAM</u> <u>Adj.</u>	<u>Effective</u> <u>Rate</u>	
October-March:				
Current:	4.741¢	0.2067¢	4.9479¢	per kWh for the first 600 kWh
	5.334¢	0.2326¢	5.5668¢	per kWh for the next 400 kWh
	5.750¢	0.2508¢	6.0012¢	per kWh for all over 1000 kWh
Proposed:	4.096¢	0.2067¢	4.3027¢	per kWh for the first 500 kWh
	6.069¢	0.2067¢	6.2757¢	per kWh for the next 100 kWh
	6.069¢	0.2326¢	6.3016¢	per kWh for the next 400 kWh
	6.069¢	0.2508¢	6.3198¢	per kWh for all over 1000 kWh
April-September:				
Current:	4.741¢	0.2067¢	4.9479¢	per kWh for the first 600 kWh
	5.080¢	0.2215¢	5.3017¢	per kWh for the next 400 kWh
	5.477¢	0.2377¢	5.7143¢	per kWh for all over 1000 kWh
Proposed:	4.096¢	0.2067¢	4.3027¢	per kWh for the first 400 kWh
	5.535¢	0.2067¢	5.7417¢	per kWh for the next 200 kWh
	5.535¢	0.2215¢	5.7565¢	per kWh for the next 400 kWh
	5.535¢	0.2377¢	5.7727¢	per kWh for all over 1000 kWh

Note: The Company's Schedule 94 Residential and Farm Energy Exchange Credit and Schedule 100 PRAM are not effected by this filing.

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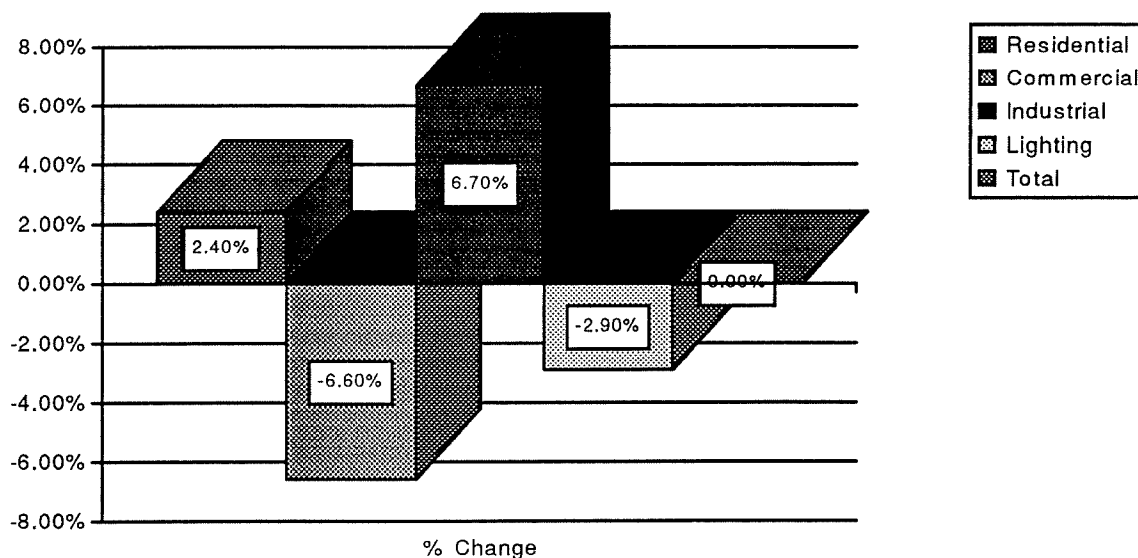
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Thank you.

Corey. A. Knutsen
Vice President
Puget Sound Power & Light Company

WHAT THIS CHANGE MEANS TO YOU:

Under the proposal rates for commercial customers would decrease 6.6 percent, while small and large industrial customers would see increases of 1.8 percent and 6.7 percent respectively.

Rate Schedule	Typical Usage		October-March		April-September	
	kWh Energy	kW Demand	Present	Proposed	Present	Proposed
24	500	1	31.63	30.34	31.88	29.51
24	2,000	5	112.87	107.72	111.48	101.98
25	50,000	137	2,887.12	2,773.52	2,719.44	2,337.30
26	200,000	548	11,364.16	10,955.31	11,544.08	9,433.82
31	500,000	1,370	21,136.30	20,419.80	23,245.06	19,214.63
43	100,000	548	4,883.60	4,740.30	5,273.55	4,294.61

Amounts include Schedule 100, Periodic Rate Adjustment Mechanism (PRAM)

24,8* General Service for commercial or industrial customers with demand less than 50 kW

Monthly Rate:

Basic Charge: \$5.35 single phase or \$12.20 three phase, plus:

Energy Charge:	Base			Effective			Apr-Sep:	Base			Effective		
	Oct-Mar:	Rate	PRAM	Rate	Rate	PRAM		Rate	Rate	PRAM	Rate	Rate	PRAM
	5.1180¢	0.1886¢		5.3066¢	4.7412¢	0.1797¢		4.9209¢			per kWh for the first 20,000 kWh		
	5.1180¢	0.1513¢		5.2693¢	4.7412¢	0.1441¢		4.8853¢			per kWh for the next 155,000 kWh		
	5.1180¢	0.1075¢		5.2255¢	4.7412¢	0.1026¢		4.8438¢			per kWh for all over 175,000 kWh		

25,11* Small Demand General Service for commercial or industrial customers with demand greater than 50 kW but less than 350 kW.

Monthly Rate:

Basic Charge: \$26.50, plus

Demand Charge:

No charge for the first 50 kW of Billing Demand

	Oct-Mar	Apr-Sep
Base Rate	\$6.53	\$4.35
PRAM	\$0.19	\$0.19
Effective Rate	\$6.72	\$4.54

per kW for all over 50 kW of Billing Demand

Energy Charge:	Base			Effective			Apr-Sep:	Base			Effective		
	Oct-Mar:	Rate	PRAM	Rate	Rate	PRAM		Rate	Rate	PRAM	Rate	Rate	PRAM
	4.8080¢	0.1886¢		4.9966¢	4.3720¢	0.1797¢		4.5517¢			per kWh for the first 20,000 kWh		
	3.4800¢	0.1513¢		3.6313¢	3.1640¢	0.1441¢		3.3081¢			per kWh for the next 155,000 kWh		
	3.4800¢	0.1075¢		3.5875¢	3.1640¢	0.1026¢		3.2666¢			per kWh for all over 175,000 kWh		

26,12* Large Demand General Service for commercial or industrial customers with demand greater than 350 kW

Monthly Rate:

Basic Charge: \$70.00, plus

Demand Charge:

	Oct-Mar	Apr-Sep
Base Rate	\$7.85	\$5.23
PRAM	\$0.19	\$0.19
Effective Rate	\$8.04	\$5.42

Energy Charge:	Base			Effective			Apr-Sep:	Base			Effective		
	Oct-Mar:	Rate	PRAM	Rate	Rate	PRAM		Rate	Rate	PRAM	Rate	Rate	PRAM
	3.2990¢	0.1886¢		3.4876¢	2.9990¢	0.1797¢		3.1787¢			per kWh for the first 20,000 kWh		
	3.2990¢	0.1513¢		3.4503¢	2.9990¢	0.1441¢		3.1431¢			per kWh for the next 155,000 kWh		
	3.2990¢	0.1075¢		3.4065¢	2.9990¢	0.1026¢		3.1016¢			per kWh for all over 175,000 kWh		

29 ** Seasonal Irrigation & Drainage Pumping Service, for irrigation and/or drainage pumping on agricultural land used in the production of plant crops.

Monthly Rate:

Basic Charge: \$5.35 single phase or \$16.51 three phase, plus:

Demand Charge:

No charge for the first 50 kW of Billing Demand

	Oct-Mar	Apr-Sep
Effective Rate	\$6.53	\$2.30

per kW for all over 50 kW of Billing Demand

Energy Charge:	Effective			Effective		
	Oct-Mar:	Rate	Apr-Sep:	Rate	Rate	Rate
	4.8080¢			3.4380¢	per kWh for the first 20,000 kWh	
	3.4800¢			2.9960¢	per kWh for the next 155,000 kWh	
	3.4800¢			2.9960¢	per kWh for all over 175,000 kWh	

30 Primary General Service - Optional, Limited Experimental Rate

For commercial or industrial customers contracting for four (4) years with the Company. Delivered at primary voltage (600 volts or higher). Customer provides all transformation and facilities beyond point of delivery.

Monthly Rate:

Demand Charge:

		Oct-Mar	Apr-Sep				
	Base Rate	\$4.29	\$5.16				
	PRAM	\$0.19	\$0.19				
	Effective Rate	\$4.48	\$5.35				
Energy Charge:	Base		Effective		Base		Effective
	Oct-Mar: Rate	PRAM	Rate	Apr-Sep:	Rate	PRAM	Rate
		2.4290¢	0.1277¢		2.4290¢	0.1217¢	2.5507¢ per kWh for the first block
		3.7620¢	0.1277¢		3.1940¢	0.1217¢	3.3157¢ per kWh for all excess

31,10* Primary General Service

For commercial or industrial customers. Delivered at primary voltage (600 volts or higher). . Customer provides all transformation and facilities beyond point of delivery.

Monthly Rate:

Basic Charge: \$105.00, plus

Demand Charge:

		Oct-Mar	Apr-Sep				
	Base Rate	\$5.42	\$3.61				
	PRAM	\$0.19	\$0.19				
	Effective Rate	\$5.61	\$3.80				
Energy Charge:	Base		Effective		Base		Effective
	Oct-Mar: Rate	PRAM	Rate	Apr-Sep:	Rate	PRAM	Rate
		2.8190¢	0.1277¢		2.5630¢	0.1217¢	2.6847¢ per kWh

35 Seasonal Primary Irrigation & Drainage Pumping Service, for irrigation and/or drainage pumping on agricultural land used in the production of plant crops.**

Monthly Rate:

Basic Charge: \$105.00, plus

Demand Charge:

		Oct-Mar	Apr-Sep
	Effective Rate	\$5.42	\$1.56
Energy Charge:	Effective		Effective
	Oct-Mar: Rate	Apr-Sep:	Rate
			2.0930¢ per kWh

36,37.38 Interruptible Service Credits

Limited, Experimental Schedules available to customers on Schedules 26,31, and 49 meeting specific criteria. Provides a credit for interrupted energy usage. Specific schedules and information are available at any Puget Power office.

43 Interruptible Primary Service for Total Electric Schools.

Delivered at primary voltage (600 volts or higher). Customer provides all transformation and facilities beyond point of delivery. This schedule will be available only to customers who are taking service under it, when these revisions become effective.

Monthly Rate:

Basic Charge: \$105.00, plus

Demand Charge:

	Oct-Mar	Apr-Sep					
Base Rate	\$3.77	\$2.51					
PRAM	\$0.14	\$0.14					
Effective Rate	\$3.91	\$2.65					
Energy Charge:	Base	Effective		Base		Effective	
Oct-Mar:	Rate	PRAM	Rate	Apr-Sep:	Rate	PRAM	Rate
	2.8190¢	0.1277¢	2.9467¢		2.5630¢	0.1217¢	2.6847¢ per kWh

46 High Voltage Interruptible Service for commercial or industrial customers with billing demand not less than 4400 kVa, who may be interrupted during certain hours of the day. Customers provide all transformation and facilities beyond the point of delivery. Delivery is at high voltage (50,000 volts or higher). This schedule will be available only to customers who are taking service under it, when these revisions become effective.

Monthly Rate:

Demand Charge:

Base Rate	\$1.60						
PRAM	\$0.10						
Effective Rate	\$1.70						
Energy Charge:	Base	Effective		Base		Effective	
Oct-Mar:	Rate	PRAM	Rate	Apr-Sep:	Rate	PRAM	Rate
	2.5180¢	0.1539¢	2.6719¢		2.2890¢	0.1466¢	2.4356¢ per kWh

48 High Voltage General Service - Optional, Limited Experimental Rate

For commercial or industrial customers contracting for four (4) years with the Company and Delivered at high voltage (50,000 volts or higher). Customer provides all transformation and facilities beyond point of delivery.

Monthly Rate:

Demand Charge:

	1st Block	2nd Block					
Base Rate	\$2.40	\$3.97					
PRAM	\$0.18	\$0.18					
Effective Rate	\$2.58	\$4.15					
Energy Charge:	Base	Effective		Base		Effective	
Oct-Mar:	Rate	PRAM	Rate	Apr-Sep:	Rate	PRAM	Rate
	2.0670¢	0.1539¢	2.2209¢		2.0670¢	0.1466¢	2.2136¢ per kWh for the first block
	3.6900¢	0.1539¢	3.8439¢		3.1330¢	0.1466¢	3.2796¢ per kWh for all excess

49 High Voltage General Service

For commercial or industrial customers with billing demand not less than 4400 kVa. Delivered at high voltage (50,000 volts or higher). Customer provides all transformation and facilities beyond point of delivery.

Monthly Rate:

Demand Charge:

	Base Rate		\$2.79					
	PRAM		\$0.18					
	Effective Rate		\$2.97					
Energy Charge:	Base		Effective		Base		Effective	
	Oct-Mar:	Rate	PRAM	Rate	Apr-Sep:	Rate	PRAM	Rate
		2.5180¢	0.1539¢	2.6719¢		2.2890¢	0.1466¢	2.4356¢ per kWh

50,51,52,53,54,57,58

Street Lighting Service

These schedules provide in incandescent, mercury vapor, sodium vapor street lighting service and traffic control lighting. Due to space limitations details are not provided here. Specific schedules and information are available at any Puget Power office.

* Schedules 8,10,11,12, 56, and 59 availability and monthly rates are identical to the schedule listed immediately preceding, except energy charges are subject to adjustment by Schedule 94, Residential and Farm Energy Exchange.

** Schedules 29 and 35 are subject to adjustment by Schedule 97, Agricultural Irrigation and Drainage Pumping Discount

Schedules 94, 97 and 100 are not changed by this filing.