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September 27, 2002

Carole J. Washburn Office of the Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive SW Olympia, WA 98504-7250

Re: Puget Sound Energy, Inc.

Docket Nos. UE-011570/UG-011571 and Advice No. 2002-23

Dear Ms. Washburn:

Puget Sound Energy, Inc. ("PSE") hereby provides notice that it has provided a courtesy copy of the attached filing in Advice No. 2002-23 to all parties in consolidated Docket Nos. UE-011570/UG-011571 because of the relationship of Advice No. 2002-23 to the interim rate case settlement that was approved by the Commission in its Ninth Supplemental Order dated March 28, 2002 in these dockets.

Thank you for your assistance.

Very truly yours,

Kirstin S. Dodge

Enclosures

cc: Service list



September 27, 2002

Ms. Carole J. Washburn, Executive Secretary Washington Utilities and Transportation Commission P.O. Box 47250 Olympia, Washington 98504-7250

Re: Advice No. 2002-23 - Electric Tariff Filing

Dear Ms. Washburn:

Pursuant to RCW 80.28.060 and WAC 480-80-101 and WAC 480-80-105, enclosed are an original and three copies of the following proposed tariff sheets:

WN U-60, Tariff G - (Electric Tariff):

First Revised Sheet No. 128 - Electric Energy Cost Surcharge

The purpose of this filing is to implement a change to allow for a nominal over or under collection of the surcharge to be rolled into the electric conservation rider. This change in process is being requested because the Company collected only \$634,827 in excess of the \$25 million in interim relief that the Commission approved in its Ninth Supplemental Order dated March 28, 2002 in PSE's recent rate case, consolidated Docket Nos. UE-011570 and UG-011571 ("Ninth Supplemental Order"). The Ninth Supplemental Order required an interim rate process "that will result in PSE collecting exactly \$25 million in additional revenue," but the Commission did not prescribe "the precise means by which this result will be achieved." Ninth Supplemental Order, ¶¶ 24-25. PSE's original compliance filing, Schedule 128, contemplated filing a one time surcharge or credit to ensure that PSE did not retain more or less than \$25 million in additional revenues. However, the proposed revision to Schedule 128 will have the same result, while avoiding the need to provide bill credits for the small amount of the over collection. This filing and the process change have been discussed with the Commission's staff, and we understand that they do not oppose this revision.

The tariff sheet described herein reflects an issue date of September 27, 2002, and an effective date of October 28, 2002. Since this filing does not result in increased charges or restriction of services, in accordance with WAC 480-100-195(3) the Company will publish the change in accordance with WAC 480-100-193. PSE will also provide a courtesy copy of this filing to the parties to consolidated Docket Nos. UE-011570 and UG-011571.

Please contact Lynn Logen at (425) 462-3872 for additional information about this filing. If you have any other questions please contact me at (425) 456-2797.

Sincerely.

George Pobodorf

Director Rates and Regulation

Enclosures

cc: Simon J. ffitch

Kirstin Dodge

PUGET SOUND ENERGY Electric Tariff G

SCHEDULE 128 Electric Energy Cost Surcharge

APPLICABILITY:

This Electric Energy Cost Surcharge shall apply to rates for electric service delivered to Customers on and after the effective date of this schedule through June 30, 2002. As shown below, this adjustment shall be made for all electrical service delivered to retail Customers. except for Customers taking service under Schedules 448 or 449 or Customers taking service under special contracts.

PURPOSE:

The purpose of this schedule is to recover \$25 million in interim rate relief, as reflected in the Settlement Stipulation And Application For Commission Approval Of Settlement (the "Stipulation"), and as approved by the Commission's "Ninth Supplemental Order: Rejecting Tariff Filing; Approving and Adopting Settlement Stipulation; Authorizing and Requiring Compliance Filing Order Docket Nos. UE-011570/UG-011571 and the Third Supplemental Order: Approving and Adopting Settlement Stipulation; Dismissing Complaint Docket No. UE-011411" dated March 28, 2002. On or before October 1, 2002, the Company shall file a one time surcharge or credit (if necessary) to adjust for any over or under collection of the authorized \$25 million in interim relief. Such surcharge or credit shall be determined on a per schedule basis, consistent with the rate spread set forth in the Stipulation. However, if the over or under collection is less than \$700,000, such over or under collection will be transferred to the Company's electric conservation rider deferral account No. 18230021 for future disposition.

(N)

(N)

MONTHLY RATE:

Advice No.: 2002-23

Schedule 7 - Residential Service

Energy Charge: First 600 kWh 0.5739¢ per kWh All over 600 kWh 0.6560¢ per kWh

Schedules 8 & 24 - General Service

Basic Charge: Single Phase \$0.43

> Three Phase \$1.06

Energy Charge: All kWh 0.5005¢ per kWh

Schedules 11 & 25 - Small Demand General Service

Basic Charge: Single or Three Phase \$2.19

Energy Charge: First 20,000 kWh 0.5360¢ per kWh

All over 20,000 kWh 0.4350¢ per kWh

Demand Charge: First 50 kW No Charge

> All over 50 kW \$0.40 per kW

Reactive Power Charge: All kvarh 0.019¢ per kvarh

issued: September 27, 2002

Issued By Puget Sound Energy

George Pohndorf Title: Director, Rates & Regulation

Effective: October 28, 2002