



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

May 5, 2006

FILED ELECTRONICALLY

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

Re: Report of Weighted Average Cost of Propane Fuel Inventory

Dear Ms. Washburn:

Pursuant to the Thirteenth Supplemental Order in Docket Nos. UE-011570 and UG-011571, enclosed are copies of the Report of Weighted Average Cost of Propane Fuel Inventory for the three months ended March 2006, for Puget Sound Energy (the Company).

The weighted average cost to the Company of propane fuel inventory at the end of the first quarter of 2006 was \$2.38218. The weighted average cost of propane charged to customers under the provisions of Schedule 101 during the same period was \$1.06838. Therefore, effective May 5, 2006 the Company will adjust the weighted average cost of propane charged to customers to \$2.13675, the maximum cost per therm within the tariffed bandwidth. Coincident with the filing of this report, the Company is submitting a tariff filing to adjust the bandwidth and reflect the rising cost of propane.

While preparing the quarterly report, we discovered that the Company has not filed reports since the third quarter of 2002. Enclosed are the reports to bring the Company current with the requirement that became effective with the tariff change on September 1, 2002. The Company regrets the delay in providing these reports and will file this information quarterly in the future.

Please contact Julie Waltari at julie.waltari@pse.com or (425) 456-2945 for additional information about this filing. If you have any other questions please contact me at (425) 462-3495.

Very truly yours,

A handwritten signature in black ink that reads 'Tom DeBoer'.

Tom DeBoer
Director, Rates & Regulatory Affairs

Enclosures

cc: Simon J. ffitich, Public Counsel
Kirstin Dodge, Perkins Coie