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

July 30, 2010

FILED ELECTRONICALLY

Mr. David Danner, Executive Director and 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 Mr. Danner:

Pursuant to the Thirteenth Supplemental Order in Docket Nos. UE-011570 and UG-011571, please find enclosed the Report of Weighted Average Cost of Propane Fuel Inventory for the three months ended June 2010, for Puget Sound Energy, Inc. ("PSE" or "the Company").

The weighted average cost to the Company of propane fuel inventory at the end of the second quarter of 2010 was \$4.69417 per therm. The weighted average cost of propane charged to customers under the provisions of Schedule 101 during the same period was \$4.00641 per therm. The weighted average cost of propane charged to customers will remain at \$4.00641 which is the maximum cost per therm within the approved banded rate.

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,

Tom DeBoer

Director, Federal & State Regulatory Affairs

Loger, Teriff Consultant

Enclosures

cc: Simon J. ffitch, Public Counsel Sheree Carson, Perkins Coie