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PUGET SOUND ENERGY

The Energy To Do Great Things

Puget Sound Energy, Inc.

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December 21, 2009

Mr. David Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

RE: Docket No. UG-091860 (Advice No. 2009-32)
Substitute Natural Gas Tariff Sheets – **Do Not Redocket** - Filed Electronically

Dear Mr. Danner:

Puget Sound Energy, Inc. (the "Company" or "PSE") hereby submits, in connection with Docket No. UG-091860, the following substitute tariff sheet to replace one of the tariff sheets filed on November 30, 2009, under the Company's Advice No. 2009-32. This substitute filing is pursuant to RCW 80.28.060 and Chapter 480-80 WAC and includes the following portions of the Company's tariff for electric service:

WN U-2, - (Natural Gas Tariff):

First Revision of Sheet No. 1183-C – Natural Gas Conservation Service (Continued)

The purpose of this filing is to provide a substitute tariff sheet reflecting a change in Schedules 183 following discussions with the Commission's staff.

The enclosed substitute tariff sheet reflects an issue date of November 30, 2009, and an effective date of January 1, 2010. This substitute tariff sheet does not increase the rates contained in the pending tariff sheet, and the change was made to address Commission concerns with the filing, therefore, substitution should be allowed as provided in WAC 480-80-111(1)(a) and (b).

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) 462-3495.

Very truly yours,

Tom DeBoer
Director, Federal & State Regulatory Affairs

Enclosures

cc: Simon J. ffitch, Public Counsel
Sheree Strom Carson, Perkins Coie
Paula Pyron, NWIGU

WN U-2

First Revision of Sheet No. 1183-C
Canceling
Original Sheet No. 1183-C

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

- s. **Process Efficiency Improvement** refers to operational and/or equipment changes to improve the energy efficiency of industrial and commercial processes, not including comfort conditioning. (N)
- t. **Simple Payback** is the estimated installed cost of the energy efficiency Measure divided by the estimated annual dollar savings to the Customer from the Measure. (M)(T)
- u. **Quantifiable Benefits (or Costs):** Non-energy benefits of undertaking energy efficiency improvements, as determined by society or the utility. Benefits (or costs) may include, but are not limited to, water usage savings or maintenance savings that may be quantified in dollar value. The Company may use these Quantifiable Benefits (or Costs) to demonstrate cost-effectiveness based on the Total Resource Cost Test. (N)
- v. **Simple Payback** is the estimated installed cost of the energy efficiency Measure divided by the estimated annual dollar savings to the Customer from the Measure. (N)
- w. **Site-Specific Basis** refers to the Company calculating energy savings using the engineering savings determined for each site. (T)
- x. **Total Resource Cost** is the cost to the Customer and/or other party costs to install or have installed approved Measures, plus Utility Costs and minus Quantifiable Benefits (or Costs). (T)
- y. **Total Resource Cost Test** is a cost-effectiveness calculation which demonstrates that the total benefits, including electricity, natural gas, and other savings benefits (assessed using the Energy Efficiency Cost Effectiveness Standard for electricity and natural gas), exceed total costs including those incurred by the utility, the Customer, and any other contributing party. The benefits and costs not directly associated with natural gas energy efficiency in this calculation may fall under Non-quantifiable Benefits (or Costs) or Quantifiable Benefits (or Costs) as defined above. Where there are a significant amount of Non-quantifiable Benefits (or Costs), then Total Resource Cost may be up to 150 percent (150%) of the Energy Efficiency Cost Effectiveness Standard, with a Total Resource Cost benefit/cost ratio of 0.667 or greater. (N)
- z. **Utility Cost** is the Company's costs of administering programs including, but not limited to, costs associated with incentives, audits, analysis, technical review, and funding specific to the Measure or program and evaluation. (T)

(Continued on Sheet No. 1183-D)

(M) Transferred from Sheet No. 1183-B
(K) Transferred to Sheet No. 1183-D

Issued: November 30, 2009
Advice No.: 2009-32

Effective: January 1, 2010

Issued By Puget Sound Energy

By: Tom DeBoer Tom DeBoer Title: Director, Federal & State Regulatory Affairs