



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

May 1, 2012

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
First Quarter - 2012

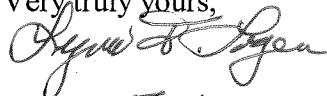
Dear Mr. Danner:

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 March 2012, 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 fourth quarter of 2011 was \$5.43394 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. The Company is considering what changes should be made.

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,


for Lynn F. Logen, Tariff Consultant
Tom DeBoer
Director, Federal & State Regulatory Affairs

Enclosures

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