

Advice No. 2008-26

PSE Natural Gas Tariff WN U-2

**Compliance Filing Docket Nos UE-072300 & UG-072301
(Consolidated)**

PUGET SOUND ENERGY
NATURAL GAS TARIFF INDEX (Continued)

(T)

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PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS (Continued)
RULE NO. 4: Election of Rate Schedules

(T)

Section 1: Optional Rate Schedules

Optional rates are available for certain classes of Customers. These optional rates and the conditions under which they are applicable are set forth in the rate schedules of the Company.

Section 2: Responsibility for Election of Rate Schedules

Upon application or request for service, applicant shall elect the applicable rate schedule best suited to its requirements. The Company will assist in making the election but does not guarantee that Customers will be served under the most favorable rate schedule at all times. Should a Customer's use of gas service change after service commences, the Company shall not be held responsible to notify the Customer of the most favorable rate schedule and will not refund the difference in charge under different rate schedules.

Section 3: Changes between Rate Schedules

Upon receiving notification of any material changes in a Customer's installation or load conditions, the Company will assist in determining if a change in rate schedules is desirable, but not more than one such change in rate schedules will be made within any twelve-month period.

After one year of service Customers may switch rate schedules. Customers who wish to switch between a sales service rate schedule and a transportation service rate schedule (Rate Schedules No. 31T, 41T, 85T, 86T or 87T) or between a transportation service rate schedule and a sales service rate schedule must give the Company notice a minimum of thirty (30) days prior to the requested date of change in type of service. In addition the following conditions apply:

(C)
|
(C)

- a. Eligibility requirements of the applicable schedule,
- b. Switching is subject to availability of needed metering facilities installed at location,
- c. Migration and conversion charges will be applied as necessary to protect against stranded costs.

No monthly or seasonal alteration between rate schedules will be permitted for any portion of the service to be supplied.

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PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS (Continued) (T)
RULE NO. 23: Interruptible Sales and Transportation Service Priority (Continued)

- 4. Unauthorized Volumes: Gas consumed during a Curtailment Period in excess of the firm contracted amount listed in the customer's service agreement; and greater than the Interruptible Volumes authorized by the company, if only a partial curtailment is implemented.

Section 3: Types and Conditions of Service Curtailments

- 1. Supply Curtailment - The company may initiate a partial or total Service Curtailment for any or all interruptible sales customers under Schedules 85, 86, 87, or special contract customers taking interruptible sales volumes, for one or more hours and/or days if, in the company's sole determination:
 - a. the company's contracted gas supply and/or upstream transportation capacity is insufficient to meet the expected total demands of firm and interruptible sales customers, or
 - b. the company's storage inventory levels and/or deliverability may be insufficient to reliably serve the expected demands of firm sales customers in future periods.

- 2. Distribution Curtailment - The company may initiate a partial or total Service Curtailment for any or all interruptible sales and transportation customers under Schedules 85, 86, 87, 85T, 86T, 87T or special contracts for one or more hours and/or days if, in the company's sole determination: (D)(N)
(N)
 - a. the capacity of the company's distribution system or any portion thereof, is insufficient to meet expected requirements for all firm and interruptible sales and transportation service customers, or
 - b. partial or total curtailment is judged to be required to facilitate the repair or maintenance of the company's distribution system, or to manage operating conditions and pressures on the company's distribution system or any portion thereof.

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PUGET SOUND ENERGY
 NATURAL GAS RULES AND REGULATIONS (Continued) (T)
 RULE NO. 23: Interruptible Sales and Transportation Service Priority (Continued)

Section 4: Service Curtailment and Resumption Priorities

When a Service Curtailment must be initiated, then, to the extent permitted by the operating characteristics of the Company's gas distribution system and gas supply resource portfolio, the Company will accomplish Supply and Distribution Curtailments in the following sequences unless it is necessary, in the sole judgment of the Company, to vary said sequence in order to protect system performance, integrity, reliability, or stability and to meet the needs of firm Customers. Restoration of service will be accomplished in the reverse sequence, unless it is necessary, in the sole judgment of the Company, to vary said sequence in order to protect system performance, integrity, reliability, or stability and to meet the needs of firm Customers. (N)

1. Supply Curtailments—The service priority for Service Curtailments and resumption of service following a supply curtailment as described in paragraph 1 of Section 3, above, is as follows:
 - a. Highest Priority (Last Curtailed/First Resumed)—service to Schedule No. 86 Customers. (T)
 - b. Second Priority (Second Curtailed/Second Resumed)—service to Schedule No. 85 Customers. (T)
 - c. Lowest Priority (First Curtailed/Last Resumed)—service to Schedule No. 87 Customers and service to special contract interruptible sales Customers. (T)
 - d. Notwithstanding the service priority established in provisions (a)-(c) of this paragraph, a Customer taking interruptible service under a special contract will have the service priority that is consistent with the terms and conditions of such special contract. (T)

2. Distribution Curtailments—The service priority for Service Curtailments and resumption of service following a distribution curtailment, as described in paragraph 2 of Section 3, above, is as follows:
 - a. Highest Priority (Last Curtailed/First Resumed)—service to Schedule Nos. 86 and 86T Customers. (C)
(T)
 - b. Second Priority (Second Curtailed/Second Resumed)—service to Schedule Nos. 85 and 85T Customers. (C)
 - c. Lowest Priority (First Curtailed/Last Resumed)—service to Schedule Nos. 87 and 87T Customers, and interruptible sales or transportation special contract Customers. (C)
 - d. Notwithstanding the service priority established in provisions (a)-(c) of this paragraph, a Customer taking interruptible service under a special contract will have the service priority that is consistent with the terms and conditions of such special contract. (T)

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PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS
RULE NO. 29: Terms of Distribution System Transportation Service

(N)

Section 1: Availability

Distribution system transportation service is available throughout the territory served by the Company to Customers who have executed a service agreement for transportation service under one of the following Rate Schedules No.: 31T, 41T, 85T, 86T, or 87T. Transportation service through the Company's facilities is available from the point of receipt into the Company's distribution system to the Customer's premise, provided that, in the sole judgment of the Company, there are adequate facilities in place to provide such service. In Kittitas County, the interruptible service option under this rule shall be available to Customers that do not take any gas service during the months of October through March. Transportation service under all of the above schedules is subject to the provisions of this rule.

Section 2: General Rules and Regulations

Transportation service is subject to the rules and regulations contained in the Company's tariff and to those prescribed by the Washington Utilities and Transportation Commission and as they may from time to time be legally amended or superseded.

Section 3: Nature of Service

1. Service under a transportation schedule includes the following:
 - a. Receipt of gas and transportation through the Company's distribution facilities to a single delivery point specified in the service agreement.
 - b. Measurement and delivery of Customer's gas at the delivery point specified in the service agreement.
 - c. Balancing confirmed nominations and deliveries.
2. Service unless otherwise contracted for, is on an interruptible basis only for Rate Schedules No. 85T, 86T, and 87T. A Customer contracting for firm transportation service under this rule must specify in the service agreement the daily firm demand quantity, expressed in therms. Requests for firm transportation service may require a contribution to capital improvement costs if determined necessary by the Company.
3. Transportation service supplied shall not be interchangeable with any other gas service supplied by the Company.

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PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS
RULE NO. 29: Terms of Distribution System Transportation Service
(Continued)

(N)

Section 4: Service Agreement--Term and Notice, Sales Gas Service

1. Customers receiving service under a transportation schedule listed in Section 1 above must execute a service agreement for a period of not less than one year from the effective date of the agreement. The agreement shall state the maximum daily volume of gas to be transported. Following the initial year of service, the agreement shall require that the Company receive from the Customer:
 - a. A minimum of thirty day's notice to make any change in the agreement, to extend the agreement for one year or more, or to switch to sales service. Absent such notice, service will be provided without changes to the agreement for a period of one year and the agreement for that period will be executed as soon as possible.
 - b. A Customer switching schedules must pay all conversion, migration and applicable gas costs. A conversion fee may be imposed by the Company for failure to provide the required notice to compensate the Company for costs of acquiring incremental supply and deliverability resources. Customers who require a return to sales gas service after taking transportation service for a minimum of one year but before the end of their transportation contract term will be subject to a conversion penalty rate for such sales service. The conversion rate shall apply for the duration of the unexpired term of the Customer's transportation service agreement and shall be composed of the applicable effective rate of the requested gas sales service rate schedule, plus fifty percent of the tariffed weighted average demand and commodity cost of gas (WACOG) for that rate schedule.

2. Uncollected Gas Cost Adjustment for Migrating Customers--A Customer migrating service (completely or partially) from any of the Company's gas sales schedules to a transportation service rate schedule or from a transportation service rate schedule to any of the Company's gas sales schedules will be subject to additional charges or credits representing that Customer's portion of under- or over- collected deferred gas costs at the time the Customer migrates. The Uncollected Gas Cost Adjustment for Migrating Customers is further described in Section 8 Paragraph 4 of this rule.

3. A transportation Customer also contracting for gas sales service must specify in the service agreement the daily sales quantity required, expressed in therms, and the sales rate schedule elected.

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PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS
RULE NO. 29: Terms of Distribution System Transportation Service
(Continued)

(N)

Section 5: Priority of Service

Sales gas volumes shall be measured as first through the meter. Following measurement of sales gas service, transportation services will be provided in the following sequence:

- a. Firm transportation service.
- b. Interruptible transportation service.
- c. Balancing service.
- d. Unauthorized use of gas.

Section 6: Telemetering Requirement

1. Service under a transportation schedule listed in Section 1 above requires Company-specified metering/telemetering equipment or data transmission equipment as specified in the distribution system transportation service agreement.
2. The cost of the initial installation of metering/telemetering equipment or data transmission equipment at the Customer's facility, including associated labor costs, will be borne by the Company. The Customer shall pay for the initial installation cost and ongoing charges for telephone service required by the telemetering or data transmission equipment. The cost of any subsequent change in the metering/telemetering equipment or data transmission equipment, including associated labor costs, necessitated by a change in the Customer's requirements, will be charged to the Customer. After the above-described initial installation, any Company-ordered changes or additions in metering/telemetering equipment, data transmission equipment, and any associated facilities required for the installation, will be acquired and installed at the Company's expense.

Section 7: Unauthorized Use of Gas

If the Customer fails to comply with the Company's request to partially or totally curtail its use of gas in accordance with the provisions set forth in Section 13 of this rule, all gas used in excess of such curtailment will be billed at the applicable Rate Schedule No. 41 delivery and gas cost commodity rates; and, in addition, the Customer shall pay any applicable penalties as described in Rule 23 of this tariff. The provisions of this paragraph are exclusive of, and in addition to, the Company's right to enforce compliance with its curtailment or interruption request by immediate suspension of all gas service to the Customer.

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PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS
RULE NO. 29: Terms of Distribution System Transportation Service
(Continued)

(N)

Section 8: Other Costs, Charges, Penalties

1. The Company shall not be responsible for charges or fees incurred by the Customer due to imbalances on the Customer's supply and/or transportation contracts with others that result from interruption or curtailment of Customer's interruptible transportation volumes by the Company for any reason. The Customer shall reimburse the Company for extra costs, charges, and penalties assessed against the Company but attributable to the Customer.
2. End-use taxes, fees, and/or charges levied on Customer-owned gas transported by others or by the Company are the responsibility of the Customer.
3. Billing and payment arrangements for gas supply and pipeline transportation of volumes are the sole responsibility of the Customer.
4. Uncollected Gas Cost Adjustment for Migrating Customers— the Company shall charge or credit a Customer migrating (or a portion of service thereof) from sales service (pursuant to one of the Company's sales rate schedules) to transportation service (pursuant to this rule) or from transportation service to sales service to ensure the fair treatment of existing gas cost deferral account balances among all Customers. The following Uncollected Gas Cost Adjustment for Migrating Customers will apply:
 - a. A Customer migrating from sales to a transportation service rate schedule will be assessed charges or issued credits to effectively apply any deferred gas cost amortization charges or credits that would have been applicable to the Customer under the previous sales rate schedule thus ensuring that the Customer is required to pay for gas cost under-recoveries or benefit from over-recoveries experienced by the Company during the time the Customer was receiving sales service.
 - b. A Customer migrating from a transportation service rate schedule to one of the Company's gas sales schedules will be assessed charges or issued credits to effectively negate any deferred gas cost amortization credits or charges applicable to the Customer under the new sales rate schedule thus ensuring that the Customer is not required to pay for gas cost under-recoveries or benefit from over-recoveries experienced by the Company prior to the Customer migrating to sales service.

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PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS
RULE NO. 29: Terms of Distribution System Transportation Service
 (Continued)

(N)

- c. To establish a unit rate applicable to the migrating Customer, the balance of the Company's 191 (gas cost deferral) accounts (as of the end of the last complete calendar month prior to migration) will be allocated to the various rate schedules using the Company's normal gas cost allocation procedures and rate calculation method as described in Rule No. 26 and assuming a 12 month deferral amortization period.
- d. In addition to all charges applicable to service under the new (after migration) rate schedule:
 - i) Customers migrating from a sales schedule to transportation service will be assessed a charge or issued a credit in each of the subsequent 12 months for consumption multiplied by the rate calculated in c) above.
 - ii) Customers migrating from transportation service to a sales service schedule will be assessed a charge or issued a credit in each of the subsequent 12 months for consumption multiplied by the rate calculated in c) above multiplied by (-1).

Section 9: Payment

Bills are issued net, are due and payable when rendered, and become past due after fifteen days from date of bill.

Section 10: Balancing Services--Program Description

Balancing service is included in the transportation service commodity charge under the applicable rate schedule. This service will provide daily balancing equivalent to the difference between the Customer's daily confirmed nomination and daily delivered volumes. All accumulated daily delivered volumes during a billing period are subject to the monthly balancing provisions of this rule. Balancing service is subject to the terms and conditions of this rule and may be modified during constraint periods as described in Section 13 below.

Section 11: Balancing Services--Monthly Balancing

- 1. Daily delivered volumes will be accumulated at the end of the current billing period and shall be equal to the Customer's total confirmed nominations for the current billing period. For any accumulated delivered volumes not equal to accumulated confirmed nominations, the provisions in Paragraphs 2,3 and 4 of this section apply.

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PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS
RULE NO. 29: Terms of Distribution System Transportation Service
(Continued)

(N)

2. Overrun:

- a. The accumulated daily delivered volumes for the current billing period in excess of the accumulated confirmed nominations shall constitute the monthly overrun and will be billed at the following overrun rates:

<u>Percentage of Overrun</u>	<u>Charge</u>
0-5%	No charge; roll into subsequent billing period
5-10%	No charge; subsequent billing period to clear
>10%	\$2.00 per therm; no right to clear

- b. The Customer will be given the subsequent billing period to balance the overrun volume between five percent and ten percent ("excess volume") to within five percent. In the event the excess volume has not been balanced within five percent at the end of the subsequent billing period, the Customer will be billed at an amount equal to the unbalanced excess volume at a charge of \$1.00 per therm. If the overrun volume is greater than ten percent, the Customer will be billed at an amount equal to the overrun volume in excess of ten percent at a charge of \$2.00 per therm.

3. Underrun:

- a. The monthly underrun volumes will be the deficiency between the accumulated daily delivered volumes for the current billing period and the accumulated daily confirmed nominations. Title to underrun volumes will automatically transfer to the Company according to the following schedule:

<u>Percentage of Underrun</u>	<u>Transfer</u>
0-5%	No transfer; roll into subsequent billing period
5-10%	No transfer; subsequent billing period to clear
>10%	Transfer of title, no right to clear

- b. The Customer will be given the subsequent billing period to balance the underrun volume between five percent and ten percent ("deficiency volume") to within five percent. In the event the deficiency volume has not been balanced within five percent at the end of the subsequent billing period, the Company will take title to the unbalanced deficiency volume at no cost. If the underrun volume is greater than ten percent, the Company will take title to the amount of the underrun volume in excess of ten percent at no cost.

- 4. Constraint period provision: If the delivery of the Customer's gas supply is delayed because of a Company-imposed constraint (curtailment or entitlement) of service, the period for balancing the volume delivered to the Customer with the Customer's confirmed nomination will be extended by the number of days service was constrained.

(N)

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By:

Tom DeBoer

Tom DeBoer

Title: Director, Rates & Regulatory Affairs

PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS
RULE NO. 29: Terms of Distribution System Transportation Service
(Continued)

(N)

5. Balancing upon termination: If there exists an overrun upon termination of service or upon transfer to another schedule in this tariff, the following charges apply: Overrun < 5% if not cleared by Customer in subsequent billing period at a charge equal to the cost of gas as shown on Schedule No. 101 (including taxes) for the schedule they moved to or are eligible for; Overrun or underrun of 5-10% or of > 10% the provisions of 2. or 3. above, respectively, apply. If an underrun of < 5% exists the Customer should either be provided the gas at no charge or paid for the gas on the same basis as charging for a similar amount of overrun.

Section 12: Balancing Services--Aggregation

A Customer with meters at multiple sites may aggregate such meters for the purpose of determining the calculation of any balancing service charges. Aggregated meters must be served by a single city gate as determined by the Company, at its sole discretion, and will be specified in the Customer's service agreement.

Section 13: Balancing Services--Constraint Periods

1. Constraint periods, to be declared at the sole judgment and discretion of the Company, may occur as described in Rule 23 of this tariff.
2. Each constraint period will be specified as either a distribution system curtailment, an overrun entitlement, or an underrun entitlement. Only one type of constraint period may exist at any one time.
 - a. Distribution system curtailment: Allowable daily delivered volumes are limited to the lesser of the contracted daily firm demand or the confirmed nomination. Volumes consumed in excess of the allowed volumes will be billed at the unauthorized use of gas rate described in Section 7 of this rule.
 - b. Overrun entitlement: Allowable daily delivered volumes are limited to less than or equal to 103% of the confirmed nomination. Volumes delivered in excess of 103% of the confirmed nomination will be billed at the unauthorized use of gas rate described in Section 7 of this rule.
 - c. Underrun entitlement: Allowable daily delivered volumes must be greater than or equal to ninety-five percent of confirmed nominations, constituting a five percent tolerance level. Title to quantities in excess of the five percent tolerance will automatically transfer to the Company at no cost.

(N)

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PUGET SOUND ENERGY
NATURAL GAS RULES AND REGULATIONS
RULE NO. 29: Terms of Distribution System Transportation Service
(Continued)

(N)

3. For purposes of this rule, entitlement or curtailment for any portion of a twenty-four hour day will be considered one day's entitlement or curtailment. The gas delivery day is defined as a twenty-four hour period beginning and ending at the times specified in the distribution system transportation service agreement.

(N)

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Sixth Revision of Sheet No. 116-A
Canceling
Fifth Revision of Sheet No. 116-A

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 16 (Continued)
General Gas Lighting and Street Lighting Service (Optional)

Section 4: Rate

1. Flat delivery charge per approved gas light mantle not more than three inches in height, or double mantles with orifice(s) sized to limit input to 3,000 Btu's per hour.
 - a. 1 to 4 @ \$14.48 each per month as specified above (l)
 - b. 5 to 9 @ \$13.48 each per month as specified above |
 - c. 10 or more @ \$12.48 each per month as specified above (l)
2. Gas Cost – per mantle per month, equal to the sum of the rates as shown on Supplemental Schedule No. 101 (Sheet No. 1101) and Supplemental Schedule No. 106.
3. The rates named herein are subject to adjustments as set forth in Schedule No. 1 and other supplemental schedules, when applicable.
4. The charge for this service shall not be subject to cancellation or reduction for seasonal or temporary periods.

Section 5: Payment

Bills are issued net, are due and payable when rendered, and become past due after fifteen days from date of bill.

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Fifty-First Revision of Sheet No. 123
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Fiftieth Revision of Sheet No. 123

**PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 23
Residential General Service**

Section 1: Availability

Throughout territory served to any residential Customer. Service under this schedule is provided on an annual basis

Section 2: General Rules and Regulations

Service under this schedule is subject to the rules and regulations contained in Company's tariff.

Section 3: Rate

1. For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 British thermal units.
 - a. Basic Charge per month: \$10.00
 - b. Delivery Charge: 33.606¢ All therms per month
 - c. Gas Cost: All therms per month multiplied by the sum of the rates in ¢ per therm as shown on Supplemental Schedule No. 101 (Sheet No. 1101) and Supplemental Schedule No. 106.
2. The minimum bill per month shall be the basic charge. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods.
3. The rates named herein are subject to adjustments as set forth in Schedule No. 1 and other supplemental schedules, when applicable.

(C)(I)
(I)

Section 4: Payment

Bills are issued net, are due and payable when rendered, and become past due after fifteen days from date of bill.

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Forty-Seventh Revision of Sheet No. 131
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Forty-Sixth Revision of Sheet No. 131

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 31
Commercial and Industrial General Service

Section 1: Availability

Throughout territory served for commercial or industrial Customers. Service under this schedule is provided on an annual basis.

Section 2: General Rules and Regulations

Service under this schedule is subject to the rules and regulations contained in Company's tariff.

Section 3: Rate

1. For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 British thermal units.
 - a. Basic Charge per month: \$30.00 (C)(I)
 - b. Delivery Charge: 29.266¢ All therms per month (I)
 - c. Gas Cost: All therms per month multiplied by the sum of the rates in ¢ per therm as shown on Supplemental Schedule No. 101 (Sheet No. 1101) and Supplemental Schedule No. 106.
2. Minimum bill per month shall be the basic charge. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods. (C)
3. The rates named herein are subject to adjustments as set forth in Schedule No. 1 and other supplemental schedules, when applicable.

Section 4: Payment

Bills are issued net, are due and payable when rendered, and become past due after fifteen days from date of bill.

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Tom DeBoer

Title: Director, Rates & Regulatory Affairs

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 31T
Distribution System Transportation Service (Firm-Commercial and Industrial)

(N)

Section 1: Availability

This distribution system transportation service is available throughout the territory served by the Company to Customers who otherwise meet all the requirements for service under sales service Rate Schedule 31, Commercial and Industrial General Service, Rule 29, Terms of Distribution System Transportation Service, and have executed a service agreement for transportation service.

Section 2: Terms of Service

Service under this schedule is subject to Rule 29, Terms of Distribution System Transportation Service and Schedule 31, Commercial and Industrial General Service. All provisions of Schedule 31 apply to service under this schedule except those provisions of Schedule 31 replaced by Sections 3 and 4 below.

Section 3: Rates and Charges

1. For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 British thermal units.
2. Basic charge per month: \$330.00
3. The total transportation service commodity charge shall be the sum of a. and b. below:
 - a. Transportation Service Commodity Charge: 29.266¢ Per month per therm
 - b. Gas Procurement Credit: (0.500¢) Per month per therm
4. Balancing service charge of 0.070¢ per therm for all therms delivered, for the allocated cost of storage facilities included in the sales portfolio (which shall be credited to FERC Account 191 monthly.).
5. Transportation costs as set forth in the service agreement will be billed to the Customer's account.
6. The minimum monthly charge hereunder shall be the sum of the basic charge and amounts otherwise due under this schedule. The minimum monthly charge shall not be subject to cancellation or reduction for seasonal or temporary periods.

(N)

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 31T
Distribution System Transportation Service (Firm Commercial and Industrial)
(Continued)

(N)

8. The rates named herein are subject to conditions and adjustments as set forth in Schedule No. 1 and other supplemental schedules, when applicable.

Section 4: Adjustments

Rates in this schedule are subject to adjustments as set forth in Schedule No. 1 and to adjustment by Supplemental Schedule Nos. 112, 119 and 129 in this tariff. The adjustment rates are the same as those applicable to Schedule 31.

(N)

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 41
Large Volume High Load Factor Gas Service (Optional)

Section 1: Availability

Throughout territory served for large volume use where, in the Company's opinion, its facilities and gas supply are adequate to render the required service.

Section 2: General Rules and Regulations

Service under this schedule is subject to the rules and regulations contained in Company's tariff.

Section 3: Rate

1. For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 British thermal units.
 - a. Basic charge per month: \$105.00 (C)(I)
 - b. Delivery demand charge: \$1.10 per therm per month as described in item 3. (I)
 - c. Gas supply demand charge in rates per therm per month as shown on Supplemental Schedule No. 101 (Sheet No. 1101-B) and as described in item 3.
 - d. Delivery Charge:
 - 13.467¢ Per month per therm for first 5,000 therms (R)
 - 10.990¢ Per month per therm for all over 5,000 therms (R)
 - e. Gas Cost: All therms per month multiplied by the sum of the rates in ¢ per therm as shown on Supplemental Schedule No. 101(Sheet No. 1101) and Supplemental Schedule No. 106.

2. The minimum bill per month shall be equal to the sum of \$121.20 of delivery charge, the basic charge, the delivery demand charge, the gas supply demand charge, and the Customer's consumption related gas costs. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods. (I)
(C)

(Continued on Sheet No. 141-A)

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PUGET SOUND ENERGY
 NATURAL GAS SCHEDULE NO. 41T
 Distribution System Transportation Service (Firm-Large Volume High Load Factor)

(N)

Section 1: Availability

This distribution system transportation service is available throughout the territory served by the Company to Customers who otherwise meet all the requirements for service under sales service Rate Schedule 41, Large Volume High Load Factor Gas Service, Rule 29, Terms of Distribution System Transportation Service, and have executed a service agreement for transportation service.

Section 2: Terms of Service

Service under this schedule is subject to Rule 29, Terms of Distribution System Transportation Service and Schedule 41, Large Volume High Load Factor Gas Service (Optional). All provisions of Schedule 41 apply to service under this schedule except those provisions of Schedule 41 replaced by Sections 3 and 4 below.

Section 3: Rates and Charges

1. For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 British thermal units.
2. Basic charge per month: \$405.00
3. Transportation delivery demand charge: \$1.10 per therm
4. The total transportation service commodity charge shall be the sum of a. and b. below:
 - a. Transportation Service Commodity Charge:
 - 13.467¢ Per month per therm for first 5,000 therms
 - 10.990¢ Per month per therm for all over 5,000 therms
 - b. Gas Procurement Credit:
 - (0.500¢) Per month per therm
5. Balancing service charge of 0.070¢ per therm for all therms delivered, for the allocated cost of storage facilities included in the sales portfolio (which shall be credited to FERC Account 191 monthly).
6. Transportation costs as set forth in the service agreement will be billed to the Customer's account.

(N)

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 41T
Distribution System Transportation Service (Firm-Large Volume High Load Factor)
(Continued)

(N)

7. The minimum monthly charge hereunder shall be the sum of the basic charge, the demand charge, \$121.20 of transportation service commodity charge, and amounts otherwise due under this schedule. The minimum monthly charge shall not be subject to cancellation or reduction for seasonal or temporary periods.
8. The rates named herein are subject to conditions and adjustments as set forth in Schedule No. 1 and other supplemental schedules, when applicable.

Section 4: Adjustments

Rates in this schedule are subject to adjustments as set forth in Schedule No. 1 and to adjustment by Supplemental Schedule Nos. 112, 119 and 129 in this tariff. The adjustment rates are the same as those applicable to Schedule 41.

(N)

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 53
Propane Service (Continued)

Section 5: Rate

1. For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 British thermal units.
 - a. Basic charge per month: \$10.00 (C)(I)
 - b. Delivery Charge: 33.606¢ All therms per month (I)
 - c. Current quarterly average cost of propane fuel set forth in Supplemental Schedule No. 101 (Sheet No. 1101-A).
2. Included in the rate stated in paragraph 1.b above is a facilities extension incremental revenue rate, to be applied toward the cost justification of providing the natural gas line extension to the area when deemed feasible by the Company in accordance with Section 4 above. The incremental revenue rate is: \$0.06898 per therm.
3. The minimum bill per month shall be the basic charge. The minimum bill for this service shall not be subject to cancellation or reduction for seasonal or temporary periods. (C)
4. The rates named herein are subject to adjustments as set forth in Schedule No. 1 and other supplemental schedules, when applicable.

Section 6: Payment

Bills are issued net, are due and payable when rendered, and become past due after fifteen days from date of bill.

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Thirteenth Revision of Sheet No. 157

Canceling

Twelfth Revision of Sheet No. 157, Ninth Revision of Sheets 157-A and 157-B,

Eleventh Revision of Sheet No. 157-C, Fourth Revision of Sheets 157-D and 157-E,

Sixth Revision of Sheet No. 157-F, Fourth Revision of Sheet No. 157-G,

Second Revision of Sheet No. 157-H, and Original Sheet No. 157-I

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 57
Distribution System Transportation Service (Firm and Interruptible)

Section 1: Schedule Canceled

This distribution system transportation service schedule was canceled in Docket Nos. UE-072300 and UG-072301 effective November 1, 2008. Starting November 1, 2008, Customers served under this schedule will be served under the provisions of one of the following transportation service schedules: 31T, 41T, 85T, 86T, or 87T.

Customers served under Schedule 57 entered into transportation service agreements under the provisions of Schedule 57. To provide an orderly transition, the Company will contact all Customers and enter into a new transportation service agreement under the appropriate new transportation service schedule. In the interim, the term, delivery point, receipt point, contracted interruptible terms, contracted firm terms and choice of daily balancing service election reflected in the existing Schedule 57 transportation service agreement will be honored and applied to service under the new transportation service schedule. The Company will honor these agreement provisions and Customers will be bound by these agreement provisions as applied to the new schedule.

New transportation service agreements under the new transportation service schedule will be entered into so that the term coincides with the term of the existing Schedule 57 transportation service agreement, unless the Customer chooses to extend service beyond the existing term.

(C)

(N)(D)

(N)

(D)

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Tom DeBoer

Tom DeBoer

Title: Director, Rates & Regulatory Affairs

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 71
Residential Water Heater Rental Service

Section 1: Availability; Closed to New Accounts

1. Throughout territory served, at the option of the Company, for residential use in single- or multiple-dwelling units where the Customer qualifies for and has entered into an agreement with the Company for the rental of water heater(s) owned and maintained by the Company.
2. Rental service is restricted for all models of water heaters with energy factors less than .60 as indicated in Section 3 below.

Section 2: General Rules and Regulations

Service under this schedule is subject to the rules and regulations contained in Company's tariff.

Section 3: Rates

1. Monthly rental charge for water heaters of not over fifty-five gallon storage capacity or 60,000 Btu input:

a. Standard Models	\$7.31*	(l)
b. Conservation Models	\$11.74**	
c. Direct Vent Models	\$16.47**	
d. High Recovery Models	\$16.12**	
e. High Efficiency Standard (Energy Factor \geq .60) ¹	\$5.88***	
f. High Efficiency Direct Vent (Energy Factor \geq .60) ¹	\$10.31***	(l)

¹ As listed in the current Gas Appliance Manufacturers Association publication, "Consumers' Directory of Certified Energy Ratings."
 * Limited to those existing installations where tank is owned and maintained by the Company and was being served under this schedule as of May 21, 1986.
 ** Limited to those existing installations where tank is owned and maintained by the Company and was being served under this schedule as of October 9, 1993.
 *** Limited to those existing installations where tank is owned and maintained by the Company and was being served under this schedule as of June 18, 2000.

(Continued on Sheet No. 171-A)

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Title: Director, Rates & Regulatory Affairs

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 72
Large Volume Water Heater Rental Service

Section 1: Availability; Closed to New Accounts

1. Throughout the territory served, at the option of the Company, to commercial or industrial Customers who qualify for and have entered into an agreement with the Company for the rental of large volume gas water heaters or boilers owned and maintained by the Company.
2. Rental service is restricted for all sizes and types of water heaters as listed in Section 3, paragraph 1 below.

Section 2: General Rules and Regulations

Service under this schedule is subject to the rules and regulations contained in the Company's tariff.

Section 3: Rates

1. Size & Type of Water Heater	BTU Input		Monthly Rental Charge	
25 - 40 gallon storage	30,000 to	50,000	\$14.35 ****	(i)
45 - 55 gallon storage	70,000 to	79,000	\$18.76 ***	
45 - 55 gallon storage	51,000 to	75,000	\$18.76 ****	
50 - 65 gallon storage	60,000 to	69,000	\$29.38 ****	
60 - 84 gallon storage	70,000 to	129,000	\$38.33 ****	
75 - 90 gallon storage	130,000 to	169,000	\$51.18 ****	
75 -100 gallon storage	170,000 to	200,000	\$59.45 ****	(l)

*** Limited to those existing installations where tank is owned and maintained by the Company and was being served under this schedule as of May 21, 1986.
 **** Limited to those existing installations where tank is owned and maintained by the Company and was being served under this schedule as of June 18, 2000.

(Continued on Sheet No. 172-A)

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Title: Director, Rates & Regulatory Affairs

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 74
Gas Conversion Burner Rental Service

Section 1: Availability; Closed to New Accounts

1. Throughout territory served, at the option of the Company, to only those residential Customers on Rate Schedule No. 23 and commercial Customers on Rate Schedules No. 31 or 41 whose premises are adjacent to any street, alley, or lane in which the Company's mains with adequate capacity to serve the load are located, who qualify for and have entered into an agreement with the Company for the rental of gas conversion burners owned and maintained by the Company. (D)
2. The availability of this schedule is limited to those existing installations where the equipment is owned and maintained by the Company and was being served under this schedule as of October 9, 1993.

Section 2: General Rules and Regulations

Service under this schedule is subject to the rules and regulations contained in the Company's tariff.

Section 3: Rates

1. Monthly rental charge for residential and commercial conversion burners:

Burner Input Btu's Per Hour		Standard Models	Conservation Models	
45,000 to	400,000	\$ 9.93	\$14.94	(I)(I)
401,000 to	700,000	\$26.34		
701,000 to	1,300,000	\$35.59		(I)

2. The rates named herein are subject to subsequent tariff revisions and to additions as set forth in Schedule No. 1.

Section 4: Payment

The rental charge will be billed as such and is payable monthly in accordance with the Company's regular billing schedule for gas service.

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 85 (Continued)
Interruptible Gas Service with Firm Option

Section 3: Definitions; Required Volumes

- 1. Firm use gas. Firm use gas shall be that mutually determined hourly and daily contracted volume of gas set forth in the service agreement, which the Company will deliver to Customer at all times through the interruptible gas metering facilities, including periods of required Curtailment of interruptible gas, except as provided for in Section 5 of this tariff. If firm use gas is contracted for, the daily contracted volume shall not be less than two therms per day. The hourly rate of delivery of firm use gas shall not be greater than 1/18th of the firm use per day contracted for or 1/9th of contracted firm use for those Customers whose operation is limited to twelve hours per day. Monthly firm use gas shall be the daily contracted volume times the number of days in the billing cycle. (O)
(C)(O)
- 2. Interruptible gas. Interruptible gas shall be all gas used in excess of firm use gas as defined above. The daily contracted volume of interruptible gas shall not be less than 1,000 therms per day. (O)

Section 4: Alternate Fuel Capability (C)

The Customer may provide and maintain standby facilities of sufficient capacity and a reserve of substitute fuel in sufficient amount to continue operations with a substitute fuel or energy in the event of required partial or total Curtailment of the interruptible supply. If the Customer chooses to not maintain standby facilities and must curtail or suspend operations because of a required partial or total Curtailment of interruptible gas supply, Customer agrees and acknowledges that such curtailment of operations results solely from its election not to install and maintain standby facilities and fuel and does not in any way constitute a breach of contract on the part of the Company. (C)
(D)(C)
| (C)
| (O)
(D)
(O)

(Continued on Sheet No. 185-B)

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Canceling
Fourteenth Revision of Sheet No. 185-B

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 85 (Continued)
Interruptible Gas Service with Firm Option

Section 5: Nature of Service; Curtailment

- | | |
|---|---------------------------|
| 1. Gas Service supplied on this schedule shall not be interchangeable with any other Gas Service supplied by the Company. | (D)

(D)(O)
(O) |
| 2. Delivery of interruptible gas under this schedule is subject to partial or total Curtailment as described in Rule 23 of this tariff. | (O) |
| 3. Firm use gas, as defined in Section 3 of this schedule, will not be curtailed except when Customer exceeds the contracted hourly or daily rates of delivery or as specified in Rule No. 21 and Rule No. 23 of this tariff. | (O) |
| 4. The Company shall not be liable for damages occasioned by Curtailment or interruption of interruptible or firm use Gas Service supplied under this schedule. | (O)
(O) |

(Continued on Sheet No. 185-C)

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 85 (Continued)
Interruptible Gas Service with Firm Option

Section 6: Unauthorized Use of Gas

If the Customer fails to comply with the Company's request to partially or totally curtail use of gas in accordance with the conditions set forth in Section 5 of this schedule and in Rule 23 of this tariff, penalties described in Rule 23 will be assessed to the Customer.

Section 7: Rates

- 1. For purposes of this rate, the measurement of service shall be expressed in therms, one therm being the equivalent of 100,000 British thermal units.
- 2. Basic charge per month, \$537.12 (C)(I)
- 3. The total interruptible gas rate shall be the sum of the total interruptible delivery charges and the gas cost charge.
 - a. Total Interruptible Delivery Charge - the sum of i., ii. and iii. below: (C)
 - i. Interruptible Delivery Charge -

10.086¢	Per month per therm for first 25,000 therms	(I)
5.171¢	Per month per therm for next 25,000 therms	(I)
4.963¢	Per month per therm for all over 50,000 therms	(I)
 - ii. Gas Procurement Charge - 0.65¢ per therm for all therms delivered per month.
 - iii. Low Income Charge - The low income program rates shown on Schedule 129 per therm for all therms delivered per month. (N)
 - b. Gas Cost Charge – Interruptible gas cost is: All therms per month multiplied by the sum of the rates in ¢ per therm as shown on Supplemental Schedule No. 101 (Sheet No. 1101) and Supplemental Schedule No. 106. (N)

(Continued on Sheet No. 185-D)

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By: Tom DeBoer Tom DeBoer

Title: Director, Rates & Regulatory Affairs

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 85 (Continued)
Interruptible Gas Service with Firm Option

- 4. The total firm gas rate shall be the sum of the demand charges and commodity charge as defined below:
 - a. Delivery demand charge: \$1.10 per therm per month multiplied by the maximum daily delivery of firm use gas as set forth in the service agreement. (I)
 - b. Gas supply demand charge: a rate per therm per month as shown on Supplemental Schedule No. 101 (Sheet No. 1101-B) multiplied by the maximum daily delivery of firm use gas as set forth in the service agreement.
 - c. Commodity charge: All firm gas shall be combined with the Customer's interruptible gas and billed at the interruptible gas rates for delivery and gas costs in part 3 herein.

- 5. Annual minimum load charge: The annual minimum load charge will be charged every year on the anniversary of the effective date of service agreement with the Customer. The annual minimum load charge will be prorated for periods of less than one full year, such as when a Customer changes schedule, starts service, discontinues service, to adjust the annual minimum charge to the billing cycle that includes the anniversary of the effective date of the service agreement with the Customer, or for Curtailment days in excess of sixty days during the year. (N)(D)
 - a. Minimum Annual Therms for the purpose of calculating the annual charge shall be the greater of:
 - (1) fifty percent of the Customer's highest monthly volume in the last twelve months multiplied by 12; or
 - (2) 180,000 therms.
 - b. The annual minimum load charge shall be calculated as follows:
 - (1) If the actual total annual therms delivered to the Customer in the last year are less than the Minimum Annual Therms (calculated in 5.a above), the Minimum Annual Therms less the actual total annual therms delivered multiplied by the initial block of the total interruptible delivery charge (Section 7, item 3.a.) is the annual minimum load charge. (D)
 - (2) If the actual total annual therms delivered are greater than the Minimum Annual Therms the annual minimum load charge is \$0. (N)

- 6. The rates named herein are subject to adjustments as set forth in Schedule No. 1 and other supplemental schedules, when applicable.

Section 8: Payment of Bills

Bills are issued net, are due and payable when rendered, and become past due after fifteen days from date of bill.

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 85T
Distribution System Transportation Service (Interruptible with Firm Option)

(N)

Section 1: Availability

This distribution system transportation service is available throughout the territory served by the Company to Customers who otherwise meet all the requirements for service under sales service Rate Schedule 85, Interruptible Gas Service with Firm Option, Rule 29, Terms of Distribution System Transportation Service, and have executed a service agreement for transportation service.

Section 2: Terms of Service

Service under this schedule is subject to Rule 29, Terms of Distribution System Transportation Service and Schedule 85, Interruptible Gas Service with Firm Option. All provisions of Schedule 85 apply to service under this schedule except those provisions of Schedule 85 replaced by Section 3 below and the provisions of Schedule 85 in the section titled Unauthorized Use of Gas which is replaced by the provisions in Rule 29 with the same section title.

Section 3: Rates and Charges

1. For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 British thermal units.
2. Basic charge per month: \$859.39
3. Transportation firm contract delivery demand charge: \$1.10 per therm of daily contract demand per billing period.
4. The total transportation service commodity charge (for all therms delivered) is the sum of a. and b. below:
 - a. Transportation Service Commodity Charge -

10.086¢	Per month per therm for first 25,000 therms
5.171¢	Per month per therm for next 25,000 therms
4.963¢	Per month per therm for all over 50,000 therms
 - b. Low Income Charge - The low income program rates shown on Schedule 129 per therm for all therms delivered per month.
5. Balancing service charge of 0.070¢ per therm for all therms delivered, for the allocated cost of storage facilities included in the sales portfolio (which shall be credited to FERC Account 191 monthly.).
6. Transportation costs as set forth in the service agreement will be billed to the Customer's account.

(N)

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 85T
 Distribution System Transportation Service (Interruptible with Firm Option)
 (Continued)

(N)

7. Annual minimum load charge: The annual minimum load charge will be charged every year on the anniversary of the effective date of service agreement with the Customer. The annual minimum load charge will be prorated for periods of less than one full year, such as when a Customer changes schedule, starts service, discontinues service, to adjust the annual minimum charge to the billing cycle that includes the anniversary of the effective date of the service agreement with the Customer, or for Curtailment days in excess of sixty days during the year.
 - a. Minimum Annual Therms for the purpose of calculating the annual charge shall be the greater of:
 - (1) fifty percent of the Customer's highest monthly volume in the last twelve months multiplied by 12; or
 - (2) 180,000 therms.
 - b. The annual minimum load charge shall be calculated as follows:
 - (1) If the actual total annual therms delivered to the Customer in the last year are less than the Minimum Annual Therms (calculated in 7.a above), the Minimum Annual Therms less the actual total annual therms delivered multiplied by the initial block of the total transportation service commodity charge (Section 3, item 4.) is the annual minimum load charge.
 - (2) If the actual total annual therms delivered are greater than the Minimum Annual Therms the annual minimum load charge is \$0.
8. The rates named herein are subject to conditions and adjustments as set forth in Schedule No. 1 and other supplemental schedules, when applicable.

Section 4: Adjustments

Rates in this schedule are subject to adjustments as set forth in Schedule No. 1 and to adjustment by Supplemental Schedule Nos. 112, 119 and 129 in this tariff. The adjustment rates are the same as those applicable to Schedule 85.

(N)

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 86 (Continued)
Limited Interruptible Gas Service with Firm Option (Optional)

Section 3: Definitions

1. Firm use gas. Firm use gas shall be that mutually determined maximum hourly and daily contracted volume of gas set forth in the service agreement which the Company will deliver to the Customer at all times through the interruptible gas metering facilities. If firm use gas is contracted for, the daily contracted volume shall not be less than two therms per day. The hourly rate of delivery of firm use gas shall not be greater than one-eighteenth of the firm use per day contracted for or one-ninth of contracted firm use for those Customers whose operation is limited to twelve hours per day or less. Monthly firm use gas shall be the daily contracted volume times the number of days in the billing cycle.
2. Interruptible gas. Interruptible gas shall be all gas used in excess of firm use gas as defined above.

Section 4: Alternate Fuel Capability

The Customer may provide and maintain standby facilities of sufficient capacity and a reserve of substitute fuel in sufficient amount to continue operations with a substitute fuel or energy in the event of required partial or total Curtailment of the interruptible supply. If the Customer chooses to not maintain standby facilities and must curtail or suspend operations because of a required partial or total Curtailment of interruptible gas supply, Customer agrees and acknowledges that such curtailment of operations results solely from its election not to install and maintain standby facilities and fuel and does not in any way constitute a breach of contract on the part of the Company.

(C)
(C)
(D)(C)
| (C)
| (O)
(D)
(O)

(Continued on Sheet No. 186-B)

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Tom DeBoer

Title: Director, Rates & Regulatory Affairs

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 86 (Continued)
Limited Interruptible Gas Service with Firm Option (Optional)

Section 5: Nature of Service; Curtailment

- | | |
|--|------------------------|
| 1. Gas Service supplied on this schedule shall not be interchangeable with any other Gas Service supplied by the Company. | (D)
 (O)
(D)(O) |
| 2. Delivery of interruptible gas under this schedule is subject to required partial or total Curtailment as described in Rule 23 of this tariff. | (C)
(O) |
| 3. Firm use gas, as defined in Section 3 of this schedule, will not be curtailed except when Customer exceeds the contracted hourly or daily rate of delivery or as specified in Rule No. 21 and Rule No. 23 of this tariff. | |
| 4. The Company shall not be liable for damages occasioned by required Curtailment or interruption of Gas Service under this schedule. | (O)(C)
(O) |

(Continued on Sheet No. 186-C)

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 86 (Continued)
Limited Interruptible Gas Service with Firm Option (Optional)

Section 6: Unauthorized Use of Gas

If the Customer fails to comply with the Company's request to partially or totally curtail use of gas in accordance with the conditions set forth in Section 5 of this schedule and in Rule 23 of this tariff, penalties described in Rule 23 will be assessed to the Customer.

Section 7: Rates

1. For purposes of this rate, the measurement of service shall be expressed in therms, one therm being the equivalent of 100,000 British thermal units.
2. Basic charge per month, \$137.50 (C)(I)
3. The total interruptible gas rate shall be the sum of the total interruptible delivery charges and the gas cost charge.
 - a. Total Interruptible Delivery Charge - the sum of i., ii. and iii. below:
 - i. Interruptible Delivery Charge -

19.554¢	Per month per therm for first 1,000 therms	(R)
14.019¢	Per month per therm for all over 1,000 therms	(R)
 - ii. Gas Procurement Charge - 0.65¢ per therm for all therms delivered per month.
 - iii. Low Income Charge - The low income program rates shown on Schedule 129 per therm for all therms delivered per month. (N)
 - b. Gas Cost Charge – Interruptible gas cost is: All therms per month multiplied by the sum of the rates in ¢ per therm as shown on Supplemental Schedule No. 101 (Sheet No. 1101) and Supplemental Schedule No. 106.

(Continued on Sheet No. 186-D)

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 86 (Continued)
Limited Interruptible Gas Service with Firm Option (Optional)

- 4. The total firm gas rate shall be the sum of the demand charges and commodity charge as defined below:
 - a. Delivery demand charge: \$1.10 per therm per month multiplied by maximum daily delivery of firm use gas as set forth in the service agreement. (I)
 - b. Gas supply demand charge: a rate per therm per month as shown on Supplemental Schedule No. 101 (Sheet No. 1101-B) multiplied by the maximum daily delivery of firm use gas as set forth in the service agreement.
 - c. Commodity charge: All firm gas shall be combined with Customer's interruptible gas and billed at the interruptible gas rates in part 3 herein.

- 5. Minimum annual load charge:
 - a. If the actual total annual therms delivered to the Customer in the last year are less than 10,000 therms, the minimum annual load charge shall be the difference between the minimum annual purchase obligation of 10,000 therms multiplied by the Company's initial block total interruptible delivery charge (Section 7, item 3.a.) and the actual total annual therms multiplied by the Company's initial block total interruptible delivery charge (Section 7, item 3.a.),. The minimum annual load charge shall be prorated for partial years of gas service or for the number of days that service was available without curtailment. (C)(D)
(N)(D)
(C)
|
|
|
|
(C)
 - b. Any payments for gas used in excess of curtailment requests, as set forth in Rule No. 23, shall not be credited to minimum annual charge.
 - c. The annual period for purposes of determining minimum annual billing charges shall be the twelve-month period ending with the September billing cycle. Minimum annual billing charges, if applicable, will be added to the September billing.
 - d. If the actual total annual therms delivered to the Customer in the last year are greater than 10,000 therms, the minimum annual load charge is equal to \$0. (N)
(N)

- 6. The rates named herein are subject to adjustments as set forth in Schedule No. 1 and other supplemental schedules, when applicable.

Section 8: Payment of Bills

Bills are issued net, are due and payable when rendered, and become past due after fifteen days from date of bill.

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 86T
Distribution System Transportation Service (Interruptible with Firm Option)

(N)

Section 1: Availability

This distribution system transportation service is available throughout the territory served by the Company to Customers who otherwise meet all the requirements for service under sales service Rate Schedule 86, Limited Interruptible Gas Service with Firm Option, Rule 29, Terms of Distribution System Transportation Service, and have executed a service agreement for transportation service.

Section 2: Terms of Service

Service under this schedule is subject to Rule 29, Terms of Distribution System Transportation Service and Schedule 86, Limited Interruptible Gas Service with Firm Option (Optional). All provisions of Schedule 86 apply to service under this schedule except those provisions of Schedule 86 replaced by Section 3 below and the provisions of Schedule 86 in the section titled Unauthorized Use of Gas which is replaced by the provisions in Rule 29 with the same section title.

Section 3: Rates and Charges

1. For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 British thermal units.
2. Basic charge per month: \$437.50
3. Transportation firm contract delivery demand charge: \$1.10 per therm of daily contract demand per billing period.
4. The total transportation service commodity charge (for all therms delivered) is the sum of a. and b. below:
 - a. Transportation Service Commodity Charge -

19.554¢	Per month per therm for first 1,000 therms
14.019¢	Per month per therm for all over 1,000 therms
 - b. Low Income Charge – The low income program rates shown on Schedule 129 per therm for all therms delivered per month
5. Balancing service charge of 0.070¢ per therm for all therms delivered, for the allocated cost of storage facilities included in the sales portfolio (which shall be credited to FERC Account 191 monthly).

(N)

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PUGET SOUND ENERGY
 NATURAL GAS SCHEDULE NO. 86T
 Distribution System Transportation Service (Interruptible with Firm Option)
 (Continued)

(N)

- 6. Transportation costs as set forth in the service agreement will be billed to the Customer's account.
- 7. Minimum annual load charge:
 - a. If the actual total annual therms delivered to the Customer in the last year are less than 10,000 therms, the minimum annual load charge shall be the difference between the minimum annual purchase obligation of 10,000 therms multiplied by the Company's initial block total interruptible delivery charge (Section 3, item 4.) and the actual total annual therms multiplied by the Company's initial block total interruptible delivery charge (Section 3, item 4.), The minimum annual load charge shall be prorated for partial years of gas service or for the number of days that service was available without curtailment.
 - b. Any payments for gas used in excess of curtailment requests, as set forth in Rule No. 23, shall not be credited to minimum annual charge.
 - c. The annual period for purposes of determining minimum annual billing charges shall be the twelve-month period ending with the September billing cycle. Minimum annual billing charges, if applicable, will be added to the September billing.
 - d. If the actual total annual therms delivered to the Customer in the last year are greater than 10,000 therms, the minimum annual load charge is equal to \$0.
- 8. The rates named herein are subject to conditions and adjustments as set forth in Schedule No. 1 and other supplemental schedules, when applicable.

Section 4: Adjustments

Rates in this schedule are subject to adjustments as set forth in Schedule No. 1 and to adjustment by Supplemental Schedule Nos. 112, 119 and 129 in this tariff. The adjustment rates are the same as those applicable to Schedule 86.

(N)

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Title: Director, Rates & Regulatory Affairs

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 87
Non-Exclusive Interruptible Gas Service with Firm Option (Optional)

Section 1: Availability; Term of Agreement

1. This rate schedule is available in the service area of the Company to any nonresidential Customer outside of Kittitas County or nonresidential Customers in Kittitas County that take no Gas Service at all during the months of October through March, where Customer and Company have executed a service agreement for the purchase of interruptible Gas Service under this schedule and where, in the Company's opinion, its facilities and gas supply are adequate to render the required service; provided, however, that interruptible Gas Service shall not be available to essential agricultural users who, in accordance with Section 401 of the Natural Gas Policy Act of 1978, have requested higher priority of service than that afforded by this rate schedule. (O)
(O)
2. This schedule is limited to those interruptible Customers whose current or anticipated requirement is in excess of 1,000,000 therms per year.
3. Any increase in existing firm or interruptible contract volume is subject to the Company's determination of facilities and gas supply being adequate.
4. The term of the agreement between the Company and the Customer shall be set forth in the service agreement. For purpose of the annual contract volume, the contract year shall be the twelve-month period starting with the billing cycle that includes the effective date of the service agreement with the Customer. (C)
(C)

Section 2: General Rules and Regulations

Service under this schedule is subject to the rules and regulations contained in the Company's tariff and to those prescribed by the Washington Utilities and Transportation Commission and as they may from time to time be legally amended or superseded.

(Continued on Sheet No. 187-A)

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Tom DeBoer

Tom DeBoer

Title: Director, Rates & Regulatory Affairs

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 87 (Continued)
Non-Exclusive Interruptible Gas Service with Firm Option (Optional)

- 4. Excess volume. Excess volume shall be the quantity of interruptible gas purchased by the Customer in any contract year in excess of 133% of the annual contract volume. (D)

Section 4: Alternate Fuel Capability

The Customer may provide and maintain standby facilities of sufficient capacity and a reserve of substitute fuel in sufficient amount to continue operations with a substitute fuel or energy in the event of required partial or total Curtailment of the interruptible supply. If the Customer chooses to not maintain standby facilities and must curtail or suspend operations because of a required partial or total Curtailment of interruptible gas supply, Customer agrees and acknowledges that such curtailment of operations results solely from its election not to install and maintain standby facilities and fuel and does not in any way constitute a breach of contract on the part of the Company. (C)

Section 5: Nature of Service; Curtailment

- 1. Gas supplied under this schedule shall not be interchangeable with any other Gas Service supplied by the Company. (O)
- 2. Delivery of interruptible gas under this schedule is subject to partial or total Curtailment as described in Rule No. 23 of this tariff. (O)

(Continued on Sheet No. 187-C)

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 87 (Continued)
Non-Exclusive Interruptible Gas Service with Firm Option (Optional)

Section 7: Rates

1. For purposes of this rate, the measurement of service shall be expressed in therms, one therm being the equivalent of 100,000 British thermal units.
2. Basic charge per month, \$537.12 (C)(I)
3. The contract volume charge rate shall be the tailblock of the total interruptible delivery charge per therm identified in item 4.a. below. (C)
(C)
4. The total monthly interruptible gas rate shall be the sum of the total interruptible delivery charges and the gas cost charge. (C)
 - a. Total Interruptible Delivery Charge - the sum of i., ii. and iii. below: (C)
 - i. Interruptible Delivery Charge -

13.618¢	Per month per therm for first 25,000 therms	(I)
8.314¢	Per month per therm for next 25,000 therms	
5.368¢	Per month per therm for next 50,000 therms	
3.519¢	Per month per therm for next 100,000 therms	
2.592¢	Per month per therm for next 300,000 therms	
2.047¢	Per month per therm for all over 500,000 therms	(I)
 - ii. Gas Procurement Charge - 0.50¢ per therm for all therms delivered per month.
 - iii. Low Income Charge - The low income program rates shown on Schedule 129 per therm for all therms delivered per month. (N)
(N)
 - b. Gas Cost Charge – Interruptible gas cost is: All therms per month multiplied by the sum of the rates in ¢ per therm as shown on Supplemental Schedule No. 101 (Sheet No. 1101) and Supplemental Schedule No. 106.
5. The total firm use gas rate shall be the sum of the demand charges and commodity charge as defined below:
 - a. Delivery demand charge: \$1.10 per therm per month multiplied by the maximum daily delivery of firm use gas as set forth in the service agreement. (I)
 - b. Gas supply demand charge: a rate per therm per month as shown on Supplemental Schedule No. 101 (Sheet No. 1101-B) multiplied by the maximum daily delivery of firm use gas as set forth in the service agreement.
 - c. Commodity charge: All firm use gas shall be combined with Customer's interruptible gas and billed at the interruptible gas rates in part 4. herein.

(Continued on Sheet No. 187-E)

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 87 (Continued)
Non-Exclusive Interruptible Gas Service with Firm Option (Optional)

- 6. Annual minimum load charge: The annual minimum load charge will be charged every year on the anniversary of the effective date of the service agreement with the Customer. The annual minimum load charge will be prorated for periods of less than one full year, such as when a Customer changes schedule, starts service, discontinues service, to adjust the annual minimum load charge to the billing cycle that includes the anniversary of the effective date of the service agreement with the Customer, or for Curtailment days in excess of sixty days during the year.

(N)(D)
|
|
(D)

The annual minimum load charge shall apply when the actual total interruptible therms delivered to the Customer in the last year are less than the annual contract volume. The deficiency volume shall be the greater of zero or the actual total interruptible therms delivered subtracted from the annual contract volume. The amount of the annual minimum load charge shall be equal to the deficiency volume multiplied by the contract volume charge rate (Section 7, item 3.).

(N)

- 7. The rates named herein are subject to adjustments as set forth in Schedule No. 1 and other supplemental schedules, when applicable.

Section 8: Payment of Bills

Bills are issued net, are due and payable when rendered, and become past due after fifteen days from date of bill.

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PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 87T
Distribution System Transportation Service (Non-Exclusive Interruptible with Firm Option)

(N)

Section 1: Availability

This distribution system transportation service is available throughout the territory served by the Company to Customers who otherwise meet all the requirements for service under sales service Rate Schedule 87, Non-Exclusive Interruptible Gas Service with Firm Option, Rule 29, Terms of Distribution System Transportation Service, and have executed a service agreement for transportation service.

Section 2: Terms of Service

Service under this schedule is subject to Rule 29, Terms of Distribution System Transportation Service and Schedule 87, Non-Exclusive Interruptible Gas Service with Firm Option. All provisions of Schedule 87 apply to service under this schedule except those provisions of Schedule 87 replaced by Section 3 below and the provisions of Schedule 87 in the section titled Unauthorized Use of Gas which is replaced by the provisions in Rule 29 with the same section title.

Section 3: Rates and Charges

1. For purposes of this rate, the measurement of service shall be expressed in therms, each equivalent to 100,000 British thermal units.
2. Basic charge per month: \$859.39
3. Transportation firm contract delivery demand charge: \$1.10 per therm of daily contract demand per billing period.
4. The total transportation service commodity charge (for all therms delivered) is the sum of a. and b. below:
 - a. Transportation Service Commodity Charge -

13.618¢	Per month per therm for first 25,000 therms
8.314¢	Per month per therm for next 25,000 therms
5.368¢	Per month per therm for next 50,000 therms
3.519¢	Per month per therm for next 100,000 therms
2.592¢	Per month per therm for next 300,000 therms
2.047¢	Per month per therm for all over 500,000 therms
 - b. Low Income Charge – The low income program rates shown on Schedule 129 per therm for all therms delivered per month.

(N)

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Title: Director, Rates & Regulatory Affairs

PUGET SOUND ENERGY
NATURAL GAS SCHEDULE NO. 87T
Distribution System Transportation Service (Non-Exclusive Interruptible with Firm Option)
(Continued)

(N)

5. Balancing service charge of 0.070¢ per therm for all therms delivered, for the allocated cost of storage facilities included in the sales portfolio (which shall be credited to FERC Account 191 monthly).
6. Transportation costs as set forth in the service agreement will be billed to the Customer's account.
7. Annual minimum load charge: The annual minimum load charge will be charged every year on the anniversary of the effective date of the service agreement with the Customer. The annual minimum load charge will be prorated for periods of less than one full year, such as when a Customer changes schedule, starts service, discontinues service, to adjust the annual minimum load charge to the billing cycle that includes the anniversary of the effective date of the service agreement with the Customer, or for Curtailment days in excess of sixty days during the year.

The annual minimum load charge shall apply when the actual total interruptible therms delivered to the Customer in the last year are less than the annual contract volume. The deficiency volume shall be the greater of zero or the actual total interruptible therms delivered subtracted from the annual contract volume. The amount of the annual minimum load charge shall be equal to the deficiency volume multiplied by the contract volume charge rate which is equal to the tailblock of the total transportation service commodity charge, per therm, identified in item 4. above.

8. The rates named herein are subject to conditions and adjustments as set forth in Schedule No. 1 and other supplemental schedules, when applicable.

Section 4: Adjustments

Rates in this schedule are subject to adjustments as set forth in Schedule No. 1 and to adjustment by Supplemental Schedule Nos. 112, 119 and 129 in this tariff. The adjustment rates are the same as those applicable to Schedule 87.

(N)

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