

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of \_\_\_\_\_ )  
PUGET SOUND ENERGY, INC., ) Received by \_\_\_\_\_ )  
 ) Date \_\_\_\_\_ )  
 for a Certificate of Public Convenience and )  
 Necessity to Operate a Gas Plant for Hire in )  
 the general area of \_\_\_\_\_ ) Application No. \_\_\_\_\_ )  
BUCKLEY, WASHINGTON ) Amount \$ \_\_\_\_\_ )  
 \_\_\_\_\_ ) (LEAVE ABOVE LINES BLANK)

Puget Sound Energy, Inc. ("PSE") \_\_\_\_\_ hereby  
 (Name of applicant)  
 makes application to the Washington Utilities and Transportation Commission for a Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire as provided in RCW 80.28.190.

**APPLICATION**

1. Name under which applicant's business is or will be conducted Puget Sound Energy, Inc. ("PSE")
2. Address, main office 10885 NE Fourth Street (P.O. Box 91269) Bellevue, WA 98009-9269
3. Address, branch offices \_\_\_\_\_
  - 1) 1329 North State Street, Bellingham, WA 98225
  - 2) 207 North Pearl Street Ellensburg, WA 98926
  - 3) 2711 Pacific Ave SE, Olympia, WA 98501,
  - 4) 18125 Vashon Highway SW, Vashon, WA 98070
  - 5) 231 SE Barrington Drive, #101 Oak Harbor, WA 98277
  - 6) 1794 Main Street Freeland, WA 98249

4. If applicant is a corporation list below the names and addresses of principal officers.

<i>Name</i>	<i>Title</i>	<i>Address</i>
<u>Kimberly J. Harris</u>	<u>President &amp; CEO</u>	<u>10885 NE Fourth Street (P.O. Box 91269) Bellevue, WA 98009</u>
<u>Phillip K. Bussey</u>	<u>Senior VP &amp; CCO</u>	<u>10885 NE Fourth Street (P.O. Box 91269) Bellevue, WA 98009</u>
<u>Daniel A. Doyle</u>	<u>Senior VP &amp; CFO</u>	<u>10885 NE Fourth Street (P.O. Box 91269) Bellevue, WA 98009</u>
<u>Marla D. Mellies</u>	<u>Senior VP &amp; CAO</u>	<u>10885 NE Fourth Street (P.O. Box 91269) Bellevue, WA 98009</u>
<u>Paul M. Wiegand</u>	<u>Senior VP</u>	<u>10885 NE Fourth Street (P.O. Box 91269) Bellevue, WA 98009</u>

5. If a corporation, supply the following information with respect to stockholders of record of applicant as of the last day of the month immediately preceding date of application herein.

<i>Names and addresses of the 10 common or preferred stockholders (if any) owning greatest number of shares with voting rights</i>	<i>Number Shares Owned</i>		<i>Total Number of Votes</i>
	<i>Common</i>	<i>Preferred</i>	
<u>Puget Energy - 10885 NE Fourth Street (P.O. Box 91269) Bellevue, WA 98009-9269</u>	<u>85,903,791</u>		<u>85,903,791</u>

6. If applicant is not a corporation, list below the name and address of each person having an equity in the

business.

*Name*

*Address*

n/a

- 7. Is this an application for an amendment of an existing certificate of public convenience and necessity already issued to applicant? YES X NO \_\_\_\_\_
- 8. Is applicant presently operating a gas plant for hire in the State of Washington in the area or areas involved in this application? YES X NO \_\_\_\_\_

<i>Area now served</i>	<i>Since</i>
Puget Sound Region of Western Washington, specifically, King, Kittitas, Snohomish, Pierce, Thurston, and Lewis Counties	1956

- 9. Is any other gas company operating a gas plant for hire in any part of the area or areas for which applicant herein requests certification? YES X NO \_\_\_\_\_. If YES, give name of other company or companies by areas.

The City of Buckley currently serves the area. PSE will acquire the City of Buckley’s natural gas assets upon execution of an Asset Purchase Agreement between the City of Buckley and PSE. The anticipated closing date of the acquisition is March 1, 2014. Accordingly, PSE requests that its certificate of public convenience and necessity be amended effective as of the date of the transfer of assets from the City of Buckley to PSE.

- 10. Does applicant hold franchises or other governmental consents from any municipality in the area or areas involved in this application? YES \_\_\_\_\_ NO X \_\_\_\_\_. If YES, attach a certified copy of such franchise. If NO, state action taken or to be taken to procure such.

PSE will acquire a franchise from the City of Buckley as a condition of the Asset Purchase Agreement.

- 11. State the adequacy of gas supply and proposed date that service will be made available.

The City of Buckley holds firm pipeline capacity in the amount of 4,608 Dth per day on the Northwest Pipeline system. PSE plans to take permanent release of such capacity upon the transfer of ownership of assets from the City of Buckley to PSE. The City of Buckley also holds a firm Gas Supply Agreement with a third party marketing firm that provides the full requirements of gas supply for the Buckley system. PSE will take assignment of that agreement upon the transfer of ownership of assets from the City of Buckley to PSE.

A Long Term Transportation Agreement is currently being negotiated with the City of Enumclaw and will be in place prior to the transfer of ownership from the City of Buckley to PSE.

- 12. Is applicant familiar with all the rules and regulations of the Washington Utilities and Transportation Commission regarding the operation of a gas plant for hire? YES X NO \_\_\_\_\_
- 13. Is applicant submitting herewith its proposed tariff or tariffs covering the service to be offered in the area or areas involved in this application? YES \_\_\_\_\_ NO X \_\_\_\_\_. If answer is NO, state when applicant intends to submit such. PSE’s natural gas tariff WN U-2, including service in Pierce County, is currently on file with the Commission.
- 14. On a separate sheet designated “Exhibit A” submit a feasibility study relating to the area sought stating fully the economic conditions upon which this application is based to include the estimated cost of new plant required to exercise this certificate, the manner of financing such cost, anticipated revenues, expenses, and rate of return. See Exhibit A, attached hereto.
- 15. On separate sheets designated “Exhibit B” provide detailed map(s) and legal description for each service area showing the boundaries thereof proposed to be served under this application. Indicate (on separate sheets, if necessary) general location of facilities and service areas in accord with feasibility study. See Exhibit B, attached hereto.

**FINANCIAL STATEMENT**  
**ON FILE**  
*(PSE FERC Balance Sheet – as of 12.31.2012)*  
*(Dollars in Thousands)*

<b>ASSETS</b>		<b>LIABILITIES</b>	
Utility Plant (See Below)	\$ <u>12,602,194</u>	Common Stock	\$ <u>859</u>
Less Deprn. & Amort. Reserves	\$ <u>(4,284,645)</u>	Preferred Stock	\$ <u>0</u>
Net Utility Plant in Service	\$ <u>8,317,549</u>	Premiums, Assessments on	
Invest. in Assoc. Companies	\$ <u>37,574</u>	Capital Stock	\$ <u>478,145</u>
Other Invest. & Fund Accts.	\$ <u>103,673</u>	Installments received on	
Current & Accrued Assets:		Capital Stock	\$ <u>2,775,197</u>
Cash	\$ <u>136,040</u>	Capital Surplus	\$ <u>0</u>
Receivables (Net)	\$ <u>288,028</u>	Earned Surplus	\$ <u>0</u>
Materials & Supplies	\$ <u>167,900</u>	Disc. & Exp. on Cap. Stock-Dr.	\$ <u>0</u>
Other Current & Accrued		Other Equity	\$ <u>0</u>
Assets	\$ <u>230,904</u>	Total Equity	\$ <u>149,944</u>
Deferred Debits:		Long-Term Debt-Bonds	\$ <u>3,773,860</u>
Unamortized Debt Discount		-Other	\$ <u>(14)</u>
and Expense	\$ <u>36,271</u>	Current & Accrued Liabilities:	
Preliminary Survey and		Notes Payable	\$ <u>210,598</u>
Investigation Charges	\$ <u>0</u>	Accounts Payable	\$ <u>323,856</u>
Other Deferred Debits	\$ <u>1,520,014</u>	Other	\$ <u>381,656</u>
		Deferred Credits:	
		Unamortized Premium on	
		Debt	\$ <u>0</u>
		Other	\$ <u>2,673,551</u>
		Operating Reserves	\$ <u>0</u>
		Contributions in Aid of	
		Construction	\$ <u>70,301</u>
		Total Liabilities and Other	
		Credits	\$ <u>10,837,953</u>
Total All Assets	\$ <u><u>10,837,953</u></u>		

UTILITY PLANT

(continued)

Utility Plant in Service		Utility Plt. Purchased or Sold	\$ <u>0</u>
Intangible Plant	\$ <u>20,467</u>	Utility Plt. in Process of	
Production Plant	\$ <u>6,737</u>	Reclassification	\$ <u>0</u>
Production Extraction Plant	\$ <u>0</u>	Utility Plt. Leased to Others	\$ <u>0</u>
Storage Plants	\$ <u>55,479</u>	Property Held for Future Use	\$ <u>0</u>
Transmission Plant	\$ <u>0</u>	Construction (In Progress and	
Distribution Plant	\$ <u>2,828,798</u>	Completed Not Classified)	\$ <u>4,703</u>
Distribution Plant	\$ <u>0</u>	Utility Plant Acquisition	
General Plant	\$ <u>34,698</u>	Adjustments (Net)	\$ <u>38,651</u>
		Plant Adjustments & Other	\$ <u>0</u>
Total Utility Plant in Service	\$ <u>2,946,179</u>	Total Utility Plant	\$ <u>2,989,533</u>

(PSE Gas Plant - as of 12.31.2012)  
(Dollars in Thousands)

WHEREFORE, The undersigned applicant requests that the Washington Utilities and Transportation Commission make its order granting to such applicant a Certificate of Public Convenience and Necessity as provided for in RCW 80.28.190.

DATED at BELLEVUE, WA, this 14 day of JANUARY, 20 14.

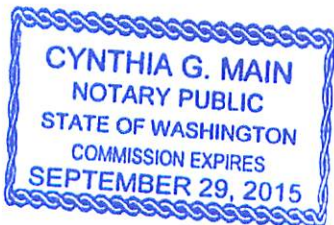
By Julie Waltari  
(Signature of applicant)

STATE of WASHINGTON, )  
County of KING )

Julie Waltari, being first duly sworn, deposes and says that he/she is Julie Waltari applicant in the proceeding entitled above, that he has read the foregoing application and knows the contents thereof; that the same is true of his own knowledge except as to matters which are therein stated on information or belief, and as to those matters he believes it to be true.

Subscribed and sworn to before me this 14th day of JANUARY, 2014

Cynthia Main / **CYNTHIA MAIN**  
Notary Public in and for the State of WASHINGTON



Residing at Kirkland, WA.