



PUGET SOUND ENERGY

The Energy To Do Great Things

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

April 6, 2010

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

RE: Docket Nos. UE-090704 and UG-090705 (Consolidated)
Compliance Filing
Advice No. 2010-09 – Electric Tariff Filing

Dear Mr. Danner:

Pursuant to RCW 80.28.060, WAC 480-80-101 and -105, and WAC 480-07-880 and -883, enclosed are three copies of the following revised tariff sheets:

WN U-60, Tariff G, Electric Service (Advice No. 2010-09):

19 th Revision	Sheet No. 2	Index
29 th Revision	Sheet No. 7	Residential Service
4 th Revision	Sheet No. 7-b	Master Metered Residential Service (Continued)
27 th Revision	Sheet No. 24	General Service
16 th Revision	Sheet No. 25	Small Demand General Service
10 th Revision	Sheet No. 25-a	Small Demand General Service (Continued)
17 th Revision	Sheet No. 26	Large Demand General Service
23 rd Revision	Sheet No. 29	Seasonal Irrigation & Drainage Pumping Service
28 th Revision	Sheet No. 31	Primary General Service
22 nd Revision	Sheet No. 35	Seasonal Primary Irrigation & Drainage Pumping Service
4 th Revision	Sheet No. 40	Large General Service Greater Than 3 Amw
3 rd Revision	Sheet No. 40-a	Large General Service Greater Than 3 aMW (Continued)
3 rd Revision	Sheet No. 40-b	Large General Service Greater Than 3 aMW (Continued)
3 rd Revision	Sheet No. 40-c	Large General Service Greater Than 3 aMW (Continued)
19 th Revision	Sheet No. 43-a	Interruptible Primary Service For Total-Electric Schools (Continued)
28 th Revision	Sheet No. 46	High Voltage Interruptible Service
10 th Revision	Sheet No. 46-a	High Voltage Interruptible Service (Continued)
27 th Revision	Sheet No. 49	High Voltage General Service
27 th Revision	Sheet No. 50	Limited Street Lighting Service
18 th Revision	Sheet No. 52-a	Custom Lighting Service Company Owned (Continued)

7 th Revision	Sheet No. 52-b	Custom Lighting Service Company Owned (Continued)
15 th Revision	Sheet No. 53-a	Street Lighting Service Sodium Vapor (Continued)
12 th Revision	Sheet No. 53-b	Street Lighting Service Sodium Vapor (Continued)
6 th Revision	Sheet No. 53-c	Street Lighting Service Sodium Vapor (Continued)
28 th Revision	Sheet No. 54	Customer-Owned Street Lighting Energy Service Sodium Vapor
28 th Revision	Sheet No. 55	Area Lighting Service
10 th Revision	Sheet No. 55-a	Area Lighting Service (Continued)
25 th Revision	Sheet No. 57	Continuous Lighting Service
24 th Revision	Sheet No. 58	Flood Lighting Service
12 th Revision	Sheet No. 58-a	Flood Lighting Service (Continued)
Original	Sheet No. 133	Regulatory Asset Tracker
Original	Sheet No. 133-a	Regulatory Asset Tracker (Continued)
Original	Sheet No. 133-b	Regulatory Asset Tracker (Continued)
Original	Sheet No. 133-c	Regulatory Asset Tracker (Continued)
Original	Sheet No. 133-d	Regulatory Asset Tracker (Continued)
Original	Sheet No. 133-e	Regulatory Asset Tracker (Continued)
Original	Sheet No. 133-f	Regulatory Asset Tracker (Continued)
7 th Revision	Sheet No. 448-i	Power Supplier Choice (Continued)
8 th Revision	Sheet No. 449-i	Retail Wheeling Service (Continued)

The purpose of this filing is to comply with the portion of the Commission's Order No. 11, Rejecting Tariff Sheets; Authorizing and Requiring Compliance Filing, in consolidated Docket Nos. UE-090704 and UG-090705 (the "Order") that addresses electric rates. The natural gas filing authorized and required by the Order was submitted to the Commission separately, on April 5, 2010, under the Company's advice number 2010-10. The attached revised and new electric tariff sheets reflect the form and rates authorized in the Order.

Following discussions with the Commission staff and other parties to the above Dockets on April 5, 2010 and in an Order Conference with Judge Moss and the other parties on April 6, 2010, it was agreed that technical compliance adjustments to the revenue deficiency were appropriate resulting in a revised revenue deficiency of \$74,060,715. The adjustments included Mint Farm generation plant fuel costs, Wild Horse wind farm expansion transmission expense, Colstrip settlement costs and adjustments to the Wild Horse expansion and Mint Farm operations and maintenance expenses ("O&M"). The Company will submit a motion for clarification to further detail and memorialize these adjustments.

As required by WAC 480-07-883(2) a copy of this filing has been served on each party to this proceeding.

The enclosed revised tariff sheets reflect issue dates of April 6, 2010, and effective dates of April 8, 2010, and the enclosed new tariff sheets (Schedule 133, Regulatory Asset Tracker) reflect issue dates of April 6, 2010, and effective dates of May 1, 2010, by authority of the

Washington Utilities and Transportation Commission in Docket Nos. UE-090704 and UG-090705 (Consolidated).

Paragraphs 175 through 180 of the Order discussed and provided for a new tracker to recover the Tenaska amortization separately from the general revenue requirement in order to terminate collection of the amortization in rates on December 31, 2011, as scheduled. The Company has included Schedule 133, Regulatory Asset Tracker, with this filing. The Company is unable to establish billing for Schedule 133 on April 8, therefore, the amount to be billed under Schedule 133 has been included in all other applicable rates until May 1 when those rates are reduced and Schedule 133 becomes effective. The Company has added the following text to each energy rate schedule to be so reduced on May 1: "Energy charges in this schedule will be reduced by \$x.xxxxxx⁽¹⁾ per KWh on May 1, 2010, when that amount will be recovered by Schedule 133, Regulatory Asset Tracker." This accomplishes the desired results of having a tracker that expires on December 31, 2011. Schedule 133 is designed as a tracker, providing for adjustments and inclusion of any remaining balance in the revenue requirement of a subsequent general rate case and termination of billing of Schedule 133 at that future time. In addition, since Schedule 133 is intended to collect an approved fixed amount, the Company has included in Schedule 133 that notice of any rate changes will be provided in accordance with WAC 480-100-195(2) .

⁽¹⁾ Amount to be equal to the applicable Schedule 133 rate.

Work papers that demonstrate the derivation of the rates proposed to be changed and implemented by the enclosed tariff sheets are attached herewith in electronic format. In accordance with the Order the enclosed electric tariff filing is based on a revenue deficiency of \$21,705,950 plus \$52,304,537 for the Tenaska amortization discussed above, for a total increase in electric rates of \$74,010,487 or 3.7%. Work papers showing the calculation of the Tenaska amortization revenue requirement (Schedule 133) and adjustments to the revenue deficiency in the Order are also enclosed. In addition the Company's Cost of Service Model used to support rate design and rate spread is attached, the Schedule 40 Fixed Charge Rate Model and Schedule 40 work papers which contain confidential information.

The Company therefore requests that the documents contained in the envelopes identified with the cover page marked "**CONFIDENTIAL PER WAC 480-07-160**" as well as the files marked "confidential" on the versions of the electronic files containing confidential materials be treated as confidential under the provisions of WAC 480-07-160, as they each contain sensitive commercial and customer specific information. In accordance with WAC 480-07-160(3)(c) the Company has enclosed redacted versions of the documents containing confidential information along with the non-confidential documents in its filing, and has placed un-redacted versions of the documents containing confidential information in separate envelopes with corresponding "**CONFIDENTIAL PER WAC 480-07-160**" labels on the envelopes. Each page of the un-redacted version containing confidential information has been printed on yellow paper.

Mr. Danner
Advice No. 2010-09

Page 4

April 6, 2010

Please contact Lynn Logen at (425) 462-3872 or at lynn.logen@pse.com for additional information about this filing. If you have any other questions please contact me at (425) 462-3495.

Very truly yours,

Lynn D. Logen
Tariff Consultant
for

Tom DeBoer

Director, Federal & State Regulatory Affairs

Enclosures

cc: Sheree Carson, Perkins Coie
Service List

CERTIFICATE OF SERVICE

DOCKET NOS. UE-090704 AND UG-090705

I hereby certify that I have this day served the foregoing, in accordance with WAC 480-07-150(6)(c), to the following persons via overnight mail:

<u>Commission Staff: (HC)</u> Robert D. Cedarbaum & Mike Fassio 1400 S. Evergreen Park Dr. S.W. P.O. Box 40128 Olympia, WA 98504-0128	<u>Public Counsel: (HC)</u> Simon J. ffitich & Sarah Shifley Public Counsel Section Office of Attorney General 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188
<u>Attorneys for ICNU: (C)</u> S. Bradley Van Cleve & Iron Sanger Davison Van Cleve PC 333 SW Taylor, Ste 400 Portland, OR 97204	<u>Attorneys for Kroger: (HC)</u> Mike L. Kurtz & Kurt J. Boehm Boehm, Kurtz and Lowry 36 East Seventh St., Suite 1510 Cincinnati, OH 45202
<u>NWIGU: (C)</u> Paula E. Pyron Northwest Industrial Gas Users 4113 Wolf Berry Court Lake Oswego, OR 97035-1827	<u>Attorneys for NWIGU: (C)</u> Chad Stokes & Tommy A. Brooks Cable Huston Benedict Haagensen & Lloyd LLP 1001 SW Fifth Avenue, Suite 2000 Portland, OR 97204-1136
<u>Attorneys for FEA: (HC)</u> Norman Furuta Associate Counsel Department of the Navy 1455 Market Street, Suite 1744 San Francisco, CA. 94103-1399	<u>NWEC: (HC)</u> Danielle Dixon & David Johnson 811 1st Avenue, Suite 305 Seattle, WA 98104
<u>Attorneys for Seattle Steam: (C)</u> Elaine Spencer Graham & Dunn Pier 70 2801 Alaskan Way, Suite 300 Seattle, WA 98121-1128	<u>Attorneys for Cost Management Services: (HC)</u> John A. Cameron Davis Wright Tremaine 1300 SW Fifth Avenue, Suite 2300 Portland, OR 97201
<u>Attorneys for Energy Project: (HC)</u> Ronald L. Roseman Attorney at Law 2011 – 14th Avenue East Seattle, WA 98112	<u>Attorneys for Nucor Steel: (HC)</u> Damon Xenopolous & Shaun Mohler Brickfield Burchette Ritts & Stone 1025 Thomas Jefferson St. NW 8th Floor, West Tower Washington, D.C. 20007

Dated at Bellevue, Washington, this 6th day of April 2010.



Deb Sifferman, Case Coordinator Compliance Analyst
Rates & Regulatory Affairs
Puget Sound Energy, Inc.