

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Docket Nos. UG-110723
Puget Sound Energy, Inc.'s
Tariff filing for Pipeline Integrity Program**

PUBLIC COUNSEL DATA REQUEST NO. 031

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Please describe, with specificity, how the Company proposes to measure the incremental benefits of recovering costs through the proposed rider mechanism instead of through base rates.

Response:

The benefits of the Pipeline Integrity Program (“PIP”) proposal are discussed on page 14, lines 12-20, page 15, lines 1-13, and page 19, lines 11-18, of the Prefiled Direct Testimony of Duane A. Henderson, Exhibit No. ____ (DAH-1T). As is evident from such testimony, the customer benefits of the PIP proposal are generally qualitative in terms of enhanced pipeline safety, customer convenience and stakeholder participation. As noted on page 19, lines 1-10, of Exhibit No. ____ (DAH-1T), there is likely to be minimal operations and maintenance savings in the near term and any eventual savings will be reflected in subsequent general rate cases.