

October 11, 2004

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

Re: Advice No. 2004-22 – Natural Gas Tariff Filing

Dear Ms. Washburn:

Pursuant to RCW 80.28.060 and WAC 480-80-101 and WAC 480-80-105, enclosed are an original and three copies of the following proposed tariff sheet:

WN U-2 - (Natural Gas Tariff):
Second Revision of Sheet No. 1129-B - Low Income Program (Continued)

The primary purpose of this filing is to adjust the low income rates reflected in Exhibit G to the Settlement Stipulation Agreement approved by the Commission in Docket Numbers UE-011570 and UG-011571 (the "Settlement"). Specifically, the purpose of this filing is to revise the Low Income Program charges in order to spread the program costs for the upcoming year based on loads reflected in the December 2003 Commission Basis Report rather than loads from the October 2003 through September 2004 test year.

The Company respectfully requests that the Commission allow this tariff change to become effective on November 1, 2004, with less than statutory notice (LSN) in order to pass through to customers the reduction in rates sooner. Information required by WAC 480-80-122 is contained throughout this letter. Karl R. Karzmar is authorized to issue tariff changes on behalf of PSE.

The tariff sheet described herein reflects an issue date of October 11, 2004, and an effective date of November 11, 2004. As this filing decreases rates, notice to the public will be provided in accordance with WAC 480-90-195 (3) by posting the proposal in accordance with WAC 480-90-193 (1)

Please contact Lynn Logen at (425) 462-3872, by fax at (425) 462-3414 or by email at lynn.logen@pse.com for additional information about this filing. If you have any other questions please contact me at (425) 456-2797.

Very truly yours,

Karl R. Karzmar
Director, Regulatory Relations

Enclosures

cc: Simon J. ffitc
Kirstin Dodge