



# PUGET SOUND ENERGY

*The Energy To Do Great Things*

Puget Sound Energy, Inc.

P.O. Box 97034

Bellevue, WA 98009-9734

January 30, 2009

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

**RE: Advice No. 2009-01  
Electric Tariff Filing – Filed Electronically  
LSN Request**

Dear Mr. Danner:

Pursuant to RCW 80.28.060 and Chapter 480-80 WAC, please find enclosed for filing the following proposed revisions to the WN U-60, Tariff G for electric service of Puget Sound Energy (the “Company” or “PSE”).

36<sup>th</sup> Revision of Sheet No. 2-a - Index (Continued)  
Original Sheet No. 132 - Schedule 132 – Merger Rate Credit  
Original Sheet No. 132-a - Schedule 132 – Merger Rate Credit (Continued)  
Original Sheet No. 132-b - Schedule 132 – Merger Rate Credit (Continued)  
Original Sheet No. 132-c - Schedule 132 – Merger Rate Credit (Continued)  
Original Sheet No. 132-d - Schedule 132 – Merger Rate Credit (Continued)  
Original Sheet No. 132-e - Schedule 132 – Merger Rate Credit (Continued)  
Original Sheet No. 132-f - Schedule 132 – Merger Rate Credit (Continued)

The purpose of this filing and the natural gas tariff filing being filed coincident with this filing is to implement Transaction Commitment number 34 in the Multiparty Settlement Stipulation that is Attachment A to Order No. 8 in Docket No. U-072375 (the “Order”). Transaction Commitment number 34 is a commitment to provide rate credits of \$100 million over a 10-year period (\$10 million per year for ten years).

As provided for in the Order the rate credits of \$10 million per year for a ten year period are to commence at the closing and are comprised of \$8.8 million that is not offsettable and \$1.2 million that is fully offsettable to the extent that the Company can demonstrate that the savings are associated with the merger. This filing reflects a total of \$113,416 in offsets to the \$1.2 million. \$73,891 of the \$113,416 offset is shown as an adjustment in Exhibit \_\_\_\_ JHS-15 and \$39,525 is shown as an adjustment in Exhibit \_\_\_\_ KRK-09 in Docket Nos. UE-072300 and UG-072301

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respectively. These adjustments result in a total of \$9,886,584 to be credited to customers (\$10,339,246 after gross-up) or \$6,441,106 to electric customers and \$3,445,475 to natural gas customers.

Work papers supporting the total amount to be passed through for the year ending December 31, 2009, and the spread of this amount to rates are also enclosed.

The Company is proposing that the credit for the first year start immediately following the closing of the "Proposed Transaction" (as defined in the Order) and be passed through during the remainder of 2009. The subsequent periods for the rate credits would be for the calendar year.

On or before December 1 of each year that Schedule 132 is in effect the Company will file a revision to true-up the rate credits due to differences in actual usage from what was used to calculate the rate credits however the rates are expected to be credits on all annual filings. Provided that the rates filed each year in Schedule 132 are credits, the Company will publish the change in the manner it posts tariffs under WAC 480-100-193 which is typically through posting the change on its web site and making information available by telephone and mail. The Company believes that is in accordance with WAC 480-100-195(3) which provides that when a utility files a tariff change that decreases rates it must publish the change as provided in WAC 480-100-193. Noticing in this way is also described in the attached tariff sheets. If noticing in this manner requires that a waiver of WAC 480-100-195 be requested, the Company hereby requests such a waiver.

The Company respectfully requests that the Commission allow this tariff change to become effective on February 13, 2009, with less than statutory notice (LSN), in order to allow the Company to adjust rates and pass through this credit in a timely manner to customers and as provided in the Order. The information required by WAC 480-80-122 is contained throughout this letter and on the attached LSN form provided by the Commission. Tom DeBoer is authorized to issue tariff changes on behalf of the Company.

The tariff sheets described herein reflect an issue date of January 30, 2009, and an effective date of March 2, 2009. The effective date will be adjusted upon receipt of the Commission's order allowing the changes to become effective with LSN. Posting of proposed tariff change, as required by WAC 480-100-193, is being made by posting the proposed tariff sheet on the PSE web site immediately prior to, or coincident with, the date of this transmittal letter.

This tariff change does not increase recurring charges or restrict access to services. Therefore, notice of proposed tariff change, as required by law and the Commission's rules and regulations (including WAC 480-100-195(3)), is being given to the public immediately prior to, or coincident with, the date of this transmittal letter through web, telephone and mail access in accordance with WAC 480-100-193.

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Please contact Lynn Logen at (425) 462-3872 or Eric Englert at (425) 456-2312 for additional information about this filing. If you have any other questions please contact me at (425) 462-3495.

Very truly yours,

A handwritten signature in black ink that reads "Tom DeBoer". The signature is written in a cursive, slightly slanted style.

Tom DeBoer  
Director, Federal & State Regulatory Affairs

Enclosures

cc: Simon J. ffitich, Public Counsel  
Sheree Carson, Perkins Coie