



PUGET SOUND ENERGY

The Energy To Do Great Things

Puget Sound Energy
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PSE.com

January 30, 2009

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

Re: Natural Gas Tariff Filing - Advice No. 2009-03 – Filed Electronically

Dear Mr. Danner:

Pursuant to RCW 80.28.060 and WAC 480-80-101 and WAC 480-80-105(1)(c), please find enclosed for filing the following proposed revision to the WN U-2 Tariff for natural gas service of Puget Sound Energy (the "Company" or "PSE"):

4th Revision of Sheet No. 1101-A – Supplemental Schedule No. 101 – Gas Cost Rates

The purpose of this filing is to adjust the bandwidth rate for propane service to reflect rising fuel costs to the Company. Effective February 1, 2009 propane customers will see an increase to the current maximum bandwidth of \$3.20513 per therm. The current banded rate includes a minimum cost per therm of propane of \$2.13675 and a maximum of \$3.20513. The Company's propane vendor has provided a corresponding range forecasting fuel costs for the period January 2009 through December 2009. The high forecast is \$4.50 per gallon and the low is \$2.00. The Company proposes an adjusted bandwidth rate for propane of \$2.93803 for the minimum cost per therm and \$4.00641 for the maximum cost per therm. The supporting workpaper is enclosed.

The rates included in this filing reflect a 37% increase in the minimum bandwidth rate of \$2.13675 per therm of propane and a 25% increase in the maximum bandwidth rate of \$3.20513 per therm of propane due to significant increases in market prices. A residential customer using 70 therms of propane a month would see an increase of 2% based on the current rate, or \$6.39 on their overall bill.

The tariff sheet described herein reflects an issue date of January 30, 2009, and an effective date of March 2, 2009. Notice of proposed tariff changes, as required by law and the Commission's rules and regulations, 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 480-90-193.

Please contact Julie Waltari at julie.waltari@pse.com or (425) 456-2945 for additional information about this filing. If you have any other questions please contact me at (425) 462-3495.

Very truly yours,

Tom DeBoer
Director, Federal & State Regulatory Affairs

Enclosures

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