



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

April 23, 2009

RECEIVED
STATE OF WASHINGTON
UTIL. AND TRANSP.
COMMISSION
2009 APR 23 PM 2:35

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

RE: Natural Gas Line Extension Cost Study (Filed Electronically)

Dear Ms. Washburn:

In accordance with the 2003 line extension collaborative agreement, Puget Sound Energy ("PSE") conducted its 2008 annual review of the cost basis for both gas and electric line extension for the 12-month period ending June 30, 2008. The results of the gas study are provided herewith as an informational filing.

PSE is currently reviewing the results of the study to determine if it will propose any changes to its line extension tariffs. PSE anticipates that any changes to the tariffs resulting from the study would be filed in May or June of 2009.

Please contact Mei Cass at (425) 462-3800 for additional information about this filing. If you have any other questions, please contact me at (425) 462-3495.

Sincerely,

Tom DeBoer

Tom DeBoer
Director, Federal & State Regulatory Affairs

Enclosure

cc: Simon J. ffitc, Public Counsel
Paula Pyron, NWIGU
Sheree Carson, Perkins Cole

Puget Sound Energy

Natural Gas Schedule 7 Line Extension Rate Analysis

Test Period: July 1, 2007 - June 30, 2008

Category	2008 Cost	Study Rate	2008 Cost	Study Rate	\$ Variance	% Change	Final Sample Size	Population Size
Gas Main - PSE provided trench \$/ft	\$ 46.32	\$ 42.78	\$ 42.78	\$ 46.32	\$ (3.54)	-7.64%	251	293
Gas Main - Customer provided trench \$/ft	\$ 15.93	\$ 13.44	\$ 13.44	\$ 15.93	\$ (2.49)	-15.60%	65	441
Gas Service - PSE provided trench	\$ 3,242	\$ 3,478.91	\$ 3,478.91	\$ 3,242	\$ 236.91	7.31%	50	3,562
Gas Service - PSE provided trench to stub, Customer provided trench for Extension	\$ 2,228	\$ 2,340.68	\$ 2,340.68	\$ 2,228	\$ 112.68	5.06%		
Gas Service - Customer provided trench	\$ 870	\$ 841.05	\$ 841.05	\$ 870	\$ (28.95)	-3.33%	50	7,271
Gas Service - Twin Service	\$ 1,879	\$ 1,887.35	\$ 1,887.35	\$ 1,879	\$ 8.35	0.44%	50	239
Commercial Gas Service Base Cost	\$ 3,491	\$ 3,721.79	\$ 3,721.79	\$ 3,491	\$ 230.79	6.61%	165	570
Commercial Gas Service \$/ft	\$ 46.26	\$ 46.45	\$ 46.45	\$ 46.26	\$ 0.19	0.41%		
Commercial Gas Service - Customer provided trench \$/ft	\$ 23.07	\$ 28.81	\$ 28.81	\$ 23.07	\$ 5.74	24.87%		
Altered Residential Service less than 25'							50	259
Altered Residential Service greater than 25'							50	717
Altered Residential Service less than 25' - PSE provided trench	\$ 1,488.00	\$ 1,622.00	\$ 1,622.00	\$ 1,488.00	\$ 134.00	9.01%		
Altered Residential Service less than 25' - Customer provided trench	\$ 1,136.00	\$ 1,221.00	\$ 1,221.00	\$ 1,136.00	\$ 85.00	7.48%		
Altered Residential Service greater than 25' - PSE provided trench \$/ft	\$ 34.21	\$ 32.26	\$ 32.26	\$ 34.21	\$ (1.95)	-5.70%		
Altered Residential Service greater than 25' - Customer provided trench \$/ft	\$ 33.09	\$ 31.09	\$ 31.09	\$ 33.09	\$ (2.00)	-6.04%		

Other Data

Category	Min Average	Max Average	Average
Gas Main - PSE provided trench \$/ft	\$ 33.34	\$ 150.10	\$ 42.78
Gas Main - Customer provided trench \$/ft	\$ 4.07	\$ 38.27	\$ 13.44