



*The Energy To Do Great Things*

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PSE.com

November 18, 2009

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

**RE: Advice No. 2009-28  
Natural Gas Tariff Filing – Filed Electronically**

Dear Mr. Danner:

Pursuant to RCW 80.28.060 and Chapter 480-80 WAC, please find the following proposed revisions to the WN U-2, Tariff for natural gas service of Puget Sound Energy (the "Company" or "PSE"):

- 5th Revision of Sheet No. 11 - Rule No. 2: Definitions
- 3rd Revision of Sheet No. 12-A - Rule No. 2: Definitions
- 2nd Revision of Sheet No. 12-B - Rule No. 2: Definitions
- 6th Revision of Sheet No. 29 - Rule No. 18: Measurement of Gas Service
- 3rd Revision of Sheet No. 39 - Rule No. 25: Meter Testing Procedures

The revised sheets set forth proposed revisions to Rule No. 2: Definitions; Rule No. 18: Measurement of Gas Service; and Rule No. 25: Meter Testing Procedures regarding higher pressure services after the initial installation of meter set assemble ("MSA"). These revisions include housekeeping text changes for clarification related to natural gas measurement. These revisions also reflect a change to the schedule of the pressure regulator re-testing and the metering pressure re-verification associated with some of the higher pressure delivery MSAs. The proposed revisions will set the testing and verification schedule in accordance with PSE's natural gas Operations Standards ("Standards").

In the second quarter of 2009, the Company initiated a review of PSE's Standard No. 2550.1400: Pressure Gas Delivery -- Fixed-Factor Measurement, attached as Attachment A. This review and an associated study of higher pressure services ("Study") indicate that the recorded annual pressure factors for a subset of the meters with higher delivery pressure didn't vary significantly from year to year. The Study included 250 randomly selected higher pressure meters and their fixed factor pressure check results from 2005 through 2008. The Company is, hence, refining its Standard No. 2550.1400 and revising Rules 18 and 25 (Sheet Nos. 29 and 39) to reflect this finding. In the revised standard, attached as Attachment B, the re-verification frequency for meters with other than low pressure delivery will be based on both their metering pressure and meter size. Specifically, following this revision, not all higher pressure MSAs will be tested and checked annually. Attachment B describes in detail PSE's revised procedure and requirement for ensuring the accuracy of fixed-factor measurement.

To implement this change the Company will be reviewing all higher pressure accounts and their current billing pressure factor. In order to insure that customers will not be overbilled due to increases

(e.g. 2.0 pounds per square inch gauge) the billing pressure factor will be lowered to their set pressure; therefore customers may see a very small decrease in their bills if other billing elements don't change. The Study indicates that most of the pressure factor decreases would be less than 1%. If the current metering pressure is lower than the set pressure, then no changes will be made, and customers would not see any changes to their bills due to these tariff revisions. Future billing pressure factor changes, if needed, will be based on the next planned field inspection as specified in revised Standard No. 2550.1400.

These tariff revisions do not affect typical residential and small commercial customers taking natural gas service from meter sizes 250 or 425. These customers are metered at low pressure and the meters and the regulators serving these customers have been certified by the manufacturer prior to installation. Nevertheless, these meters are still subject to Rule No. 25, Section 2: Meter Testing Equipment and Procedures and Section 3: Performance Control Program and Meter Changeout.

The tariff sheets described herein reflect an issue date of November 18, 2009, and an effective date of January 1, 2010. These tariff changes do not increase recurring charges or restrict access to services. Posting of the proposed tariff change, as required by WAC 480-90-193, is being made by posting the proposed tariff sheets on the PSE web site immediately prior to, or coincident with, the date of this transmittal letter. Notice of proposed tariff change, as required by law and the Commission's rules and regulations (including WAC 480-90-195(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 480-90-193.

Please contact Mei Cass at (425) 462-3800 or Lynn Logen at (425) 462-3872 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. ffitich, Public Counsel  
Sheree Carson, Perkins Coie