



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

February 4, 2011

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

**Re: Advice No. 2011-01  
Natural Gas Tariff Filing – Filed Electronically**

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-2, tariff for natural gas service of Puget Sound Energy, Inc. (the “Company” or “PSE”):

31<sup>st</sup> Revision of Sheet No. 4 – Natural Gas Tariff Index (Continued)  
34<sup>th</sup> Revision of Sheet No. 1101 – Supplemental Schedule No. 101 – Gas Cost Rates  
37<sup>th</sup> Revision of Sheet No. 1106 – Supplemental Schedule No. 106 – Deferred Account Adjustment  
Original Sheet No. 1137 – Carbon Offset Pilot  
Original Sheet No. 1137-A – Carbon Offset Pilot (Continued)  
Original Sheet No. 1137-B – Carbon Offset Pilot (Continued)

The purpose of this filing is to implement a pilot carbon offset program as described in Transaction Commitment No. 54 in the Multiparty Settlement Stipulation, attached as Appendix A to the Washington Utilities and Transportation Commission’s Order No. 8, in Docket No. U-072375. This voluntary program will provide natural gas customers the option to contribute to regional projects which will reduce or capture greenhouse gas emissions beginning April 1, 2011.

This filing also makes house keeping changes to Schedule Nos. 101 and 106. Those changes are the removal of references to Schedules 36 and 51 which have been cancelled. The index is updated to reflect the addition of the Carbon Offset Pilot program.

The tariff sheets described herein reflect an issue date of February 4, 2011, and an effective date of March 7, 2011. Posting of proposed tariff changes, 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 in accordance with WAC 480-90-193(1).

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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 480-90-195(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 Julie Waltari at (425)456-2945 for 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. ffitch  
Sheree Carson