



# PUGET SOUND ENERGY

*The Energy To Do Great Things*

Puget Sound Energy, Inc.

P.O. Box 97034

Bellevue, WA 98009-9734

October 27, 2011

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

**Re: Advice No. 2011-23**  
**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”):

**WN U-2, Natural Gas Service:**

2 <sup>nd</sup> Revision	Sheet No. 1183-B	Natural Gas Conservation Service (Continued)
3 <sup>rd</sup> Revision	Sheet No. 1183-D	Natural Gas Conservation Service (Continued)
2 <sup>nd</sup> Revision	Sheet No. 1183-F	Natural Gas Conservation Service (Continued)

**Natural Gas Energy Efficiency Programs:**

9 <sup>th</sup> Revision	Sheet No. 1203-A	Residential Low Income (Continued)
7 <sup>th</sup> Revision	Sheet No. 1205	Commercial/Industrial Retrofit Program
9 <sup>th</sup> Revision	Sheet No. 1205-A	Commercial/Industrial Retrofit Program (Continued)
6 <sup>th</sup> Revision	Sheet No. 1208-A	Resource Conservation Manager (RCM) Program (Cont.)
3 <sup>rd</sup> Revision	Sheet No. 1217	Multi-Family Existing Structures
2 <sup>nd</sup> Revision	Sheet No. 1218	Multi-Family New Construction
1 <sup>st</sup> Revision	Sheet No. 1218-A	Multi-Family New Construction (Continued)
5 <sup>th</sup> Revision	Sheet No. 1251	Commercial/Industrial New Construction Efficiency
3 <sup>rd</sup> Revision	Sheet No. 1261	Energy Efficiency Technology Evaluation
4 <sup>th</sup> Revision	Sheet No. 1262	Commercial/Industrial Incentive Program

The purpose of this filing and the contemporaneous electric filing is to provide for continuation and expansion of PSE’s cost-effective, reliable and feasible natural gas and electric conservation programs. These programs and schedules are set to expire on December 31, 2011. This filing is necessary for the Company to continue the acquisition of conservation resources and delivery of conservation services to its customers and to provide for certain changes and enhancements to program offerings.

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The Company and the Conservation Resource Advisory Group (CRAG) have met regularly to share and discuss plans for energy efficiency programs, budgets and goals for 2012 through 2013. In developing these programs, the Company and the CRAG considered the energy efficiency resource potential identified in the Company's filed 2011 Integrated Resource Plan, as well as individual program cost-effectiveness and market conditions. This collaborative process resulted in establishing a portfolio of cost-effective, reliable and feasible natural gas and electric conservation programs for 2012-2013.

As a result of projected decreased avoided costs of natural gas, which affects all cost-effectiveness calculations, a number of residential water heat programs are canceled effective January 1, 2012. The residential gas HomePrint program also became non cost-effective, and is also canceled. Canceled programs may be offered again in the future if they are cost-effective. Some business gas rebate programs may also be affected by the decreased avoided costs of natural gas. There are also revisions to the attached Schedules which clarify terminology, update regulatory or industry references and ensure that effective dates and termination dates reflect the upcoming biennium.

In accordance with the Settlement Stipulation adopted by the Commission in Docket Nos. UE-011570, UG-011571 and UE-011600, CRAG members were provided a complete set of this tariff filing two months (60 days) prior to the proposed effective date of this tariff filing; this has allowed the Company to interact with the CRAG with comments and questions.

The Company will submit a Biennial Conservation Plan that will include: targets, program details; budgets, savings details, cost-effectiveness estimates, marketing plans, customer incentives, program evaluation plan, and EM&V framework, under separate cover as a WAC required report.

This filing proposes that the date that natural gas energy efficiency programs expire be extended from December 31, 2011 to December 31, 2013.

It should be noted that natural gas service rates are not affected by this filing, since the filing does not include any requested change in the Natural Gas Conservation Service Tracker. That filing will be made on approximately March 1, 2012.

The tariff sheets described herein reflect an issue date of October 27, 2011, and an effective date of January 1, 2012. 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). 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

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with, the date of this transmittal letter through web, telephone and mail access in accordance with WAC 480-90-193.

Please contact Lynn Logen at (425) 462-3872 for general information about this filing or contact Andy Hemstreet at (425) 456-2633 for additional information about the programs included in this filing. Please contact Calvin E. Shirley at (425) 456-2426 for policy-related questions 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. ffitc  
Paula Pyron  
Sheree Carson