



Puget Sound Energy  
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PSE.com

May 22, 2012

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

RE: Advice No. 2012-15 – Natural Gas Tariff Filing – Filed Electronically

Dear Mr. Danner:

Pursuant to RCW 80.28.060, WAC 480-80-101 and -105, 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:**

- 5<sup>th</sup> Revision of Sheet No. 42 - Rule No. 28: Income Tax Rider-Contributions in Aid of Construction
- 5<sup>th</sup> Revision of Sheet No. 107-G – Natural Gas Schedule No. 7: Facilities Extension Standards (Continued)

The purpose of this filing is to update certain tariff amounts that were impacted by Order 08, Rejecting Tariff Sheets; Authorizing and Requiring Compliance Filing in Docket Nos. UE-111048 and UG-111049 (Consolidated) (the “Order”) issued by the Washington Utilities and Transportation Commission (the “UTC”) in PSE’s most recent general rate case.

The revised tariff sheet No. 42 sets forth proposed updates to the rates in Rule 28: Income Tax Rider-Contributions in Aid of Construction. This tariff revision reflects the impact of the overall rate of return and capital structure approved by the UTC in the Order. The work paper supporting the proposed revision is enclosed as Attachment A to this filing. A revised tariff sheet regarding the electric service income tax rider, Schedule 87, is also being filed at this time under Advice No. 2012-14.

The revised Sheet No. 107-G reflects changes in the natural gas line extension standard operation and maintenance costs to incorporate PSE’s natural gas cost of service results in the consolidated Docket Nos. UE-111048 and UG-111049. The standard operation and maintenance costs are used for input into PSE’s Facilities Investment Analysis model in determination of the feasibility and the payment requirement of a customer-requested natural gas line extension. Attachment B to this filing is the supporting work paper for the revised operation and maintenance costs.

The tariff sheets described herein reflect an issue date of May 22, 2012, and effective date of June 22, 2012. Posting of proposed tariff changes, as required by law and the Commission’s rules and regulations, is being completed 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.

As these changes in Sheet No. 42 result in a decrease in charges to customers, pursuant to WAC 480-90-195(3), notice to customers will be provided in accordance with the method that the Company posts its tariffs as required by WAC 480-90-193. No notice is required by WAC 480-90-194 as the change to Rule 28 is a decrease and the changes in Sheet No. 107-G may result in a payment decrease to some customers for natural gas facilities extensions but each customer is provided notice through a quoted cost prior to incurring the charge, therefore notice will be provided to each customer through the cost quote.

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

Enclosure

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