



Puget Sound Energy
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PSE.com

August 15, 2012

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

**RE: Advice No. 2012-24
Electric 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-60, Tariff G for electric service of Puget Sound Energy, Inc. (the “Company” or “PSE”).

- 2nd Revision of Sheet No. 448-o – Power Supplier Choice (Continued)
- 4th Revision of Sheet No. 448-q – Power Supplier Choice (Continued)
- 2nd Revision of Sheet No. 449-n – Retail Wheeling Service (Continued)
- 2nd Revision of Sheet No. 449-p – Retail Wheeling Service (Continued)

The purpose of this filing is to update two of the definitions in Schedules 448 and 449 to reflect changes in the Company’s Open Access Transmission Tariff (“OATT”). This filing includes a request that the filing become effective with less than statutory notice (“LSN”), on September 1, 2012, so that it becomes effective coincident with the effectiveness of the proposed changes in the Company’s OATT in the Federal Energy Regulatory Commission’s (“FERC”) Docket No. ER12-778 (the “OATT Filing”).

More specifically this filing updates the definitions of ‘ancillary services’ and ‘loss factor’. The definition of ancillary services in Schedules 448 and 449 presently refers to the definition in the Company’s OATT in section 1.1. The OATT Filing reflects the definition of ancillary services in section 1.2, requiring a change in Schedules 448 and 449. The change to the loss factor definition is tied to the change in the loss factor in Section 28.5 of the OATT. Due to the classification of high voltage distribution facilities as transmission facilities, as approved by the Commission in Docket No. U-111701 and as reflected in the OATT Filing, the OATT loss factor has been modified to combine the high voltage distribution losses and the transmission losses. This modification triggers a need change the loss factor definition in Schedules 448 and 449 to avoid overbilling for losses. Since the OATT loss factor now includes both high voltage distribution losses and the transmission losses the loss factor for Schedule 448 and 449

customers served from PSE's high voltage distribution facilities must be set to zero (0), Similarly, the loss factor for Schedule 448 and 449 customers served from PSE's primary voltage system needs to have the high voltage distribution losses of one point five percent removed from the present loss factor of three percent resulting in a loss factor of one point five percent (0.015).

The OATT Filing becomes effective on September 1, 2012 but is subject to change by FERC's final order. That order may result in the need to make another change to Schedules 448 and 449. The Company will file that change as soon as it becomes aware of the need and, depending on the magnitude of the change, may request that the change become effective with less than statutory notice.

Schedules 448 and 449 are closely tied to the Company's OATT and to the OATT Filing. In order to properly bill customers under Schedules 448 and 449 and the OATT, PSE is respectfully requesting that the Commission allow these tariff changes to become effective on September 1, 2012, with less than statutory notice, in order to allow the Company to implement these tariff changes coincident with the effectiveness of the OATT Filing. The information required by WAC 480-80-122 is contained throughout this letter and on the attached LSN form provided by the Commission. Tom DeBoer is authorized to issue tariff changes on behalf of the Company.

The tariff sheets described herein reflect issue dates of August 15, 2012, and effective dates of September 15, 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 480-100-193. As this filing represents a decrease in rates charged under Schedules 448 and 449 and does not restrict access to service, no notice is required under the provisions of WAC 480-100-194.

Please contact Lynn Logen at (425) 462-3872 or at lynn.logen@pse.com 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: Sheree Carson, Perkins Coie
Simon ffitich, Public Counsel
Irion Sanger, ICNU