



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

May 1, 2014

Mr. Steven V. King
Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

Re: Report of Weighted Average Cost of Propane Fuel Inventory
First Quarter - 2014

Dear Mr. King:

Pursuant to WN U-2 tariff for natural gas service of Puget Sound Energy, Inc. ("PSE") Supplemental Schedule No. 101 Gas Cost Rates, please find enclosed the Report of Weighted Average Cost of Propane Fuel Inventory for the three months ended March 2014.

The weighted average cost to PSE of propane fuel inventory at the end of the first quarter of 2014 was \$4.73887 per therm. The weighted average cost of propane charged to customers under the provisions of Schedule 101 during the same period was \$4.00641 per therm. The weighted average cost of propane charged to customers will remain at \$4.00641 which is the maximum cost per therm within the approved banded rate. PSE is considering what changes should be made.

Please contact Julie Waltari at julie.waltari@pse.com or (425) 456-2945 for additional information about this filing. If you have any other questions please contact me at (425) 456-2110.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ken Johnson', is written over a large, stylized circular flourish.

Ken Johnson
Director, State Regulatory Affairs

Enclosures

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