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

December 20, 2017

State Of WASI

Filed Via Web Portal

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

RE: Advice No. 2017-26

Electric Tariff Filing – Filed Electronically

Dear Mr. King:

Pursuant to RCW 80.28.060 and Chapter 480-80 WAC, please find enclosed for filing the following proposed revision to the WN U-60, Tariff G for electric service of Puget Sound Energy ("PSE"):

14th Revision of Sheet No. 87 - Schedule 87: Income Tax Rider-Contributions in Aid of Construction

The purpose of this filing is to update certain tariff rates that were impacted by Order 08, Final Order Rejecting Tariff Sheets; and Authorizing and Requiring Compliance Filing, in consolidated Dockets UE-170033 and UG-170034 (the "Order") issued by the Washington Utilities and Transportation Commission on December 5, 2017.

The revised tariff Sheet No. 87 sets forth the proposed rates in Schedule 87: Income Tax Rider-Contributions in Aid of Construction to reflect the latest overall rate of return and capital structure approved in the Order. These proposed rates for 2018-2020 also reflect the different level of the bonus depreciation prescribed in Section 143 of the Protecting Americans from Tax Hikes Act of 2015. A revised tariff sheet regarding the natural gas service income tax rider, Rule No. 28, is also being filed concurrently under Advice No. 2017-27.

The tariff sheet described herein reflects an issue date of December 20, 2017, and an effective date of January 20, 2018. Posting of the proposed tariff change, 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

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access in accordance with WAC 480-90-193. In addition, a customer will receive an individual notice through the quoted price prior to incurring the Schedule 87 charge.

Please contact Mei Cass at (425) 462-3800 for additional information about this filing. If you have any other questions please contact me at (425) 456-2110.

Sincerely,

Ken Johnson

Director, State Regulatory Affairs Puget Sound Energy PO Box 97034, PSE-08N Bellevue, WA 98009-9734

425-456-2110

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/s/Kenneth S. Johnson

cc: Lisa Gafken, Public Counsel Sheree Carson, Perkins Coie

Attachments:

Natural Gas Tariff Sheet, listed above