

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

January 30, 2018

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. 2018-08 Electric Tariff Filing – Filed Electronically

Dear Mr. King:

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

15th Revision of Sheet No. 87 - Schedule 87: Income Tax Rider-Contributions in Aid of Construction

The purpose of this filing is to revise the rate for Schedule 87: Income Tax Rider-Contributions in Aid of Construction that was not updated correctly in PSE's most recent Schedule 87 filing, UE-171200, because of a calculation error. The currently proposed tariff Sheet No. 87 sets forth the correct rate for the Schedule 87 rate that reflects both the following:

- 1. The latest overall rate of return and capital structure approved in the PSE's most recent rate case (consolidated Dockets UE-170033 and UG-170034) and
- 2. The certain tax and depreciation provisions of the 2017 federal tax reform bill (otherwise known as "H.R.1" or Tax Cuts and Jobs Act).

A revised tariff sheet regarding the natural gas service income tax rider, Rule No. 28, is also being filed concurrently under Advice No. 2018-09.

The tariff sheet described herein reflects an issue date of January 30, 2018, and an effective date of March 2, 2018. Notice and 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,

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telephone and mail access in accordance with WAC 480-100-193. 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,

/s/Kenneth S. Johnson

Ken Johnson Director, State Regulatory Affairs Puget Sound Energy PO Box 97034, PSE-08N Bellevue, WA 98009-9734 425-456-2110 ken.s.johnson@pse.com

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

Attachment: Electric Tariff Sheet, listed above