



# PUGET SOUND ENERGY

*The Energy To Do Great Things*

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

January 4, 2010

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

RE: Natural Gas Line Extension Cost Study (Filed Electronically)

Dear Mr. Danner:

In accordance with the 2003 line extension collaborative agreement, Puget Sound Energy, Inc. ("PSE") conducted its 2009 annual review of the cost basis for both gas and electric line extension for the 12-month period ending June 30, 2009. The results of the gas study are provided herewith as an informational filing.

PSE is currently reviewing the results of the study to determine if it will propose any changes to its line extension tariffs. PSE anticipates that any changes to the tariffs resulting from the study would be filed in the second quarter of 2010.

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) 462-3495.

Sincerely,

Tom DeBoer  
Director, Federal & State Regulatory Affairs

Enclosed

cc: Simon J. fitch, Public Counsel  
Paula Pyron, NWIGU  
Sheree Carson, Perkins Coie

**Puget Sound Energy**

**Natural Gas Schedule 7 Line Extension Rate Analysis**

Test Period: July 1, 2008 - June 30, 2009

Category	Tariff Rate	2009 Cost Study Rate	\$ Variance	% Change	Final Sample Size	Population Size
Gas Main - PSE provided trench \$/ft	\$ 42.78	\$ 49.42	\$ (3.54)	-7.64%	199	215
Gas Main - Customer provided trench \$/ft	\$ 15.19	\$ 19.51	\$ (2.49)	-15.60%	34	43
Gas Service - PSE provided trench	\$ 3,479	\$ 3,730.19	\$ 236.91	7.31%	50	2,906
Gas Service - PSE provided trench to stub, Customer provided trench for Extension	\$ 2,341	\$ 2,523.85	\$ 112.68	5.06%		
Gas Service - Customer provided trench	\$ 841	\$ 927.23	\$ (28.95)	-3.33%	50	4,104
Gas Service - Twin Service	\$ 1,887	\$ 2,257.82	\$ 8.35	0.44%	50	167
Commercial Gas Service Base Cost	\$ 3,722	\$ 4,041.64	\$ 230.79	6.61%	144	433
Commercial Gas Service \$/ft	\$ 46.45	\$ 59.92	\$ 0.19	0.41%		
Commercial Gas Service - Customer provided trench \$/ft	\$ 28.81	\$ 28.64	\$ 5.74	24.87%		
Altered Residential Service less than 25'					50	248
Altered Residential Service greater than 25'					50	558
Altered Residential Service less than 25' - PSE provided trench	\$ 1,622.00	\$ 1,693.00	\$ 134.00	9.01%		
Altered Residential Service less than 25' - Customer provided trench	\$ 1,221.00	\$ 1,279.00	\$ 85.00	7.48%		
Altered Residential Service greater than 25' - PSE provided trench \$/ft	\$ 32.26	\$ 30.30	\$ (1.95)	-5.70%		
Altered Residential Service greater than 25' - Customer provided trench \$/ft	\$ 31.09	\$ 29.13	\$ (2.00)	-6.04%		

**Other Data**

Category	Min Average	Max Average	Average
Gas Main - PSE provided trench \$/ft	\$ 37.59	\$ 154.67	\$ 49.42
Gas Main - Customer provided trench \$/ft	\$ 13.30	\$ 47.82	\$ 19.51