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

November 9, 2011

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 2011 annual review of the cost basis for both natural gas and electric line extension for the 12-month period ending December 31, 2010. The results of the natural gas cost study are provided herewith as an informational filing. The electric study results are also being filed concurrently on November 9, 2011.

In addition to the cost studies, PSE is currently reviewing all elements of its line extension tariffs and policies. PSE anticipates that any changes to the tariffs would be filed in 2012 after the Commission Staff's review of the study results.

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

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Director, Federal & State Regulatory Affairs

Enclosed

cc: Simon J. ffitch, Public Counsel

Paula Pyron, NWIGU

Sheree Carson, Perkins Coie