



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

September 25, 2012

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 2012 annual review of the cost basis for both natural gas and electric line extensions for the 12-month period ending December 31, 2011. 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 September 25, 2012.

In addition to the cost studies, PSE is currently reviewing other elements of its line extension tariffs and policies. If there are any proposed changes to the tariffs, PSE anticipates that the changes to the tariffs would be filed in the 4th quarter of 2012.

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,

A handwritten signature in black ink that reads "Tom DeBoer".

Tom DeBoer  
Director, Federal & State Regulatory Affairs

Enclosure

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