

Issued: December 10, 2013
Effective: January 10, 2014
Attachment "E" to Rule 7

WN U-2

PUGET SOUND ENERGY, INC.

Attachment "E" New Customer Rate Agreement

**NATURAL GAS LARGE COMMERCIAL OR INDUSTRIAL
NEW CUSTOMER RATE
AGREEMENT**

This Natural Gas Large Commercial or Industrial New Customer Rate Agreement ("Agreement"), dated _____, _____, between _____ ("Customer"), and Puget Sound Energy, Inc. ("PSE"), is to establish and govern the provision of the New Customer Rate ("NCR") for extension of natural gas distribution facilities to provide natural gas service to Customer under the provisions of Rule 7 and Schedules 7 and 107 of PSE's natural gas tariff WN U-2. Customer and PSE are sometimes referred to individually in this Agreement as "Party" and collectively as "Parties."

RECITALS

- A. PSE is a public service company engaged, in part, in the business of rendering natural service in certain areas of the state of Washington.
- B. Customer desires to receive natural gas service and pay a portion of the costs of extending distribution facilities through an NCR.
- C. Rule No. 7 of PSE's tariff WN U-2 for natural gas service provides for Customers whose maximum hourly connected load exceeds 1,100 cubic feet per hour, that an agreement is required between the Customer and PSE when the Customer desires to pay an NCR.
- D. The Customer's maximum hourly connected load exceeds 1,100 cubic feet per hour.
- E. The Parties wish to enter into this Agreement to establish the terms and conditions for the NCR.

AGREEMENT

PSE and Customer therefore agree as follows:

1. General

This Agreement is to provide for the NCR for extension of natural gas service to the Customer by PSE. PSE will provide natural gas service under the terms of the WN U-2 tariff. This Agreement is not an agreement to provide natural gas service rather it is an agreement regarding the NCR payment to be made by the Customer. The location of the requested service is: _____, _____, WA, 98____. Capitalized terms in this Agreement have the same meanings as the definition of those terms in PSE's Natural Gas Tariff WN U-2 unless specifically defined in this Agreement.

2. New Customer Rate

Gas is normally supplied by PSE following payment of a Customer Advance (as defined in PSE's Tariff WN U-2, Rule No. 7). However, the Customer may elect to pay either the Customer Advance or to pay an NCR by special agreement. This Agreement is that special agreement and the Customer has requested to pay an NCR. The NCR under this Agreement is \$X.XX per therm of natural gas delivered to Customer.

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3. PSE Distribution System Construction

The scheduling, construction and payment for any required distribution system extension or improvements will be accomplished under separate arrangements between the Parties.

4. Changes in Rates

PSE's natural gas tariff provides that the Customer pay all costs relating to extending service as indicated by a Financial Investment Analysis. Future changes in rates for natural gas service or extensions of service will not impact the NCR unless directed by the Washington Utilities and Transportation Commission ("UTC") in accordance with paragraph 6 below.

5. Customer Facilities

Customer's facilities shall be installed, maintained and operated at all times in accordance with all applicable codes and ordinances, regardless of the pressure at which natural gas service is provided.

6. General Provisions

All natural gas service furnished to Customer as a natural gas customer of PSE shall in all respects be subject to PSE's applicable rates and rules on file with the UTC and shall at all times be subject to new rates, rules and other changes that the UTC may from time to time direct in the exercise of its jurisdiction.

7. Indemnity

Customer releases and shall defend, indemnify and hold harmless PSE, its officers, directors and employees from all claims, losses, harm, liabilities, damages, costs and expenses (including but not limited to reasonable attorneys' fees) arising out of or in connection with this Agreement.

8. Miscellaneous

- (a) This Agreement will be binding upon and inure to the benefit of PSE and Customer and their respective successors, assigns, purchasers and transferees.
- (b) The headings in this Agreement are for convenience of reference only and do not modify any of the provisions herein.
- (c) This Agreement will not be interpreted or construed to create an association, joint venture or partnership between the Parties or to impose any partnership obligations or liability upon either Party. Further, neither Party will have any right, power or authority to enter into any agreement or undertaking for or on behalf of, to act as or be an agent or representative of, or to otherwise bind the other Party.
- (d) No failure or delay of either Party to insist upon or enforce strict performance by the other Party of any provision of this Agreement or to exercise any other right under this Agreement, and no course of dealing or performance with respect thereto, will be construed as a waiver or relinquishment to any extent of such Party's right to assert or rely upon any such provision or right in that or any other instance; rather, the same will be and remain in full force and effect. The express waiver by either Party of any right or remedy under this Agreement in a particular

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instance or circumstance will not constitute a waiver thereof in any other instance or circumstance.

- (e) There are no third-party beneficiaries of this Agreement. Nothing contained in this Agreement is intended to confer any right or interest on anyone other than the Parties, their respective successors and assigns.
- (f) No change, amendment or modification of any provision of this Agreement will be valid unless set forth hereafter in a written amendment to this Agreement signed by both of the Parties.
- (g) The invalidity or unenforceability of any provision of this Agreement will not affect the other provisions hereof, and this Agreement will be construed in all respects as if such invalid or unenforceable provisions were omitted.
- (h) This Agreement will in all respects be interpreted, construed and enforced in accordance with the laws of the state of Washington and as a part of PSE's tariff WN U-2, without reference to such state's choice of law principles to the contrary.
- (i) Any legal action taken by either Party under this Agreement will take place before the UTC, the federal courts located in the Western District of Washington, or state courts located in King County, Washington, and the Parties irrevocably consent to the jurisdiction of matters under this Agreement by the UTC and such courts. Neither this Agreement nor any provision of this Agreement will be interpreted for or against a Party because that Party may have proposed the language at issue, but rather the Agreement and its provisions will be interpreted fairly.
- (j) This Agreement sets forth the entire agreement, and supersedes any and all prior agreements (whether written or oral) between the Parties with respect to the subject matters hereof.

9. Term and Termination

This Agreement shall continue for a term of five (5) years, provided however that such term shall be shortened or extended so that the total Customer payments under the NCR total \$_____ ("NCR Balance"). This Agreement may be canceled by Customer upon thirty (30) days written notice to PSE and payment of any remaining unpaid NCR Balance.

Customer:	PSE: Puget Sound Energy, Inc.
By: _____	By: _____
Its: _____	Its: _____
Date Signed: _____	Date Signed: _____
Address:	Address: P.O. Box 97034 Bellevue, WA 98009-9734 Attn: