



Puget Sound Energy
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PSE.com

January 26, 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. 2018-06 – Natural Gas Tariff Filing - Filed Electronically

Dear Mr. King:

Pursuant to RCW 80.28.060 and Chapter 480-80 WAC, please find enclosed for filing the following proposed revision to the WN U-2, tariff for natural gas service of Puget Sound Energy (“PSE”).

2nd Revision of Sheet No. 154-AA: Schedule 54, Attachment A - CNG Pricing Model

The purpose of this filing is to update the Schedule 54 CNG Pricing Model, which is represented as Attachment A to the schedule, to reflect the following changes:

1. Authorized rate of return and cost of capital per Order 08, Final Order Rejecting Tariff Sheets; and Authorizing and Requiring Compliance Filing, in consolidated Dockets UE-170033 and UG-170034 (the most recent General Rate Case) issued by the Washington Utilities and Transportation Commission on December 5, 2017.
2. Certain tax and depreciation provisions of the 2017 federal tax reform bill (otherwise known as “H.R.1” or Tax Cuts and Jobs Act) that became effective on January 1, 2018. The incorporation of these changes into the Schedule 54 CNG Pricing Model is consistent with the methodology approved by the Commission in the most recent filings of PSE’s electric Schedule 87 and natural gas Rule No. 28: Income Tax Rider-Contributions in Aid of Construction under Docket Nos. UE-171200 and UG-171202, respectively.

The CNG Model is updated with the appropriate markings for an electronic tariff page and the revised calculation to incorporate the proposed changes.

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The tariff sheet described herein reflects an issue date of January 26, 2018, and an effective date of March 1, 2018. 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, telephone and mail access in accordance with WAC 480-90-193. In addition, all Schedule 54 customers will be provided notice of their individual pricing prior to receiving PSE's gas compression service.

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

Attachment:
Natural Gas Tariff Sheet, listed above