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

November 12, 2014

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

Re: Natural Gas Tariff Filing - Advice No. 2014-30 - Filed Electronically

Dear Mr. King:

Pursuant to RCW 80.28.060 and WAC 480-80-101 and WAC 480-80-105(1)(c), please find enclosed for filing the following proposed revision to the WN U-2 Tariff for natural gas service of Puget Sound Energy, Inc. ("PSE"):

5<sup>th</sup> Revision of Sheet No. 1101-A
3rd Revision of Sheet No. 153
Supplemental Schedule No. 101 – Gas Cost Rates
Schedule No. 53 – Propane Service

The purpose of this filing is to adjust the bandwidth rate for propane service to reflect rising fuel costs to PSE and to add a provision that allows PSE to reconfigure the system when necessary due to safety or operational requirements. The current banded rate includes a minimum cost per therm of propane of \$2.93803 and a maximum of \$4.00641. PSE's propane vendor has provided a corresponding range forecasting fuel costs for the period November 2014 through October 2015. The high forecast is \$4.50 per gallon (\$4.80 per therm) and the low is \$2.00 per gallon (\$2.14 per therm). With more usage in the winter when prices peaked last year, PSE proposes an adjusted bandwidth rate for propane of \$3.73932 for the minimum cost per therm and \$4.80769 for the maximum cost per therm. The supporting work paper is enclosed.

The rates included in this filing reflect a 27% increase in the present minimum bandwidth rate of \$2.93803 per therm of propane and a 20% increase in the present maximum bandwidth rate of \$4.00641 per therm of propane due to increases in market prices. A residential customer using 70 therms of propane a month would see an increase of 16% based on the proposed bandwidth, or \$51.27 on their overall bill.

The tariff sheets described herein reflect issue dates of November 12, 2014, and effective dates of December 13, 2014. Notice of proposed tariff changes, as required by law and the Commission's rules and regulations, is being given to the public 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. PSE will provide the required notice to the public under the provisions of WAC 480-90-194 within 30 days of the requested effective date of December 13, 2014.

Logen, Tariff Gausultant

Please contact Julie Waltari at julie.waltari@pse.com or (425) 456-2945 for additional information about this filing. If you have any other questions please contact me at (425) 456-2110.

Sincerely,

Ken Johnson

Director, State Regulatory Affairs

Enclosures

cc: Simon J. ffitch, Public Counsel Sheree Carson, Perkins Coie