

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

August 31, 2016

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

Re: Advice No. 2016-24 – 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"):

12th Revision of Sheet No. 1129 - Low Income Program 8th Revision of Sheet No. 1129-A - Low Income Program (Continued) 15th Revision of Sheet No. 1129-B - Low Income Program (Continued)

The purpose of this filing is to adjust and true-up the low income rates as provided in (1) Exhibit G to the Settlement Stipulation Agreement approved by the Commission in Docket Nos. UE-011570 and UG-011571 (the "Settlement") and (2) as provided in the Multiparty Settlement Stipulation in Docket No. U-072375 and the Partial Settlement in Docket Nos. UE-072300 and UG-072301 and (3) as ordered by the Commission in Order 08 in Docket Nos. UE-111048 and UG-111049 ("Order 08") and (4) as ordered by the Commission in Order 07 in Docket Nos. UE-121697 and UG-121705 (consolidated) issued jointly with Order 07 in Docket Nos. UE-130137 and UG-130138 (consolidated) ("Order 07").

The amount of change in the total natural gas revenue requirement over last year is a decrease of \$177,149. This revenue requirement results in an approximate average overall increase to rates for natural gas customers of 0.004%. Not represented in the revenue requirement is an additional \$150,737 which has been made available in customer benefits as a result of PSE's 2016 SQI #5 penalty in Docket No. UG-072301. Details supporting the revised level of funding, prior year collections and rate spread are detailed in work papers provided directly to the Commission's staff.

The tariff sheets described herein reflect issue dates of August 31, 2016, and effective dates of October 1, 2016. Posting of the proposed tariff change for public inspection and review, 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(1). Notice to the public under the provisions of

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WAC 480-90-194 is required which PSE will provide, as required, within 30 days of the requested October 1, 2016, effective date.

Please contact Julie Waltari at (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: Lisa Gafken, Public Counsel Ed Finklea, NWIGU Sheree Carson, Perkins Coie