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

February 15, 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: Report of Weighted Average Cost of Propane Fuel Inventory

Fourth Quarter - 2017

Dear Mr. King:

Pursuant to WN U-2 tariff for natural gas service of Puget Sound Energy ("PSE") Supplemental Schedule No. 101 Gas Cost Rates, PSE is filing its Report of Weighted Average Cost of Propane Fuel Inventory for the three months ended December 2017.

The weighted average cost to PSE of propane fuel inventory at the end of the fourth quarter of 2017 was \$3.58594 per therm. The weighted average cost of propane charged to the customer for the next billing period will be \$3.73932, which is the minimum approved banded rate. PSE will make a filing to request a downward adjustment to the banded rate.

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,

/s/Kenneth S. Johnson

Ken Johnson Director, State Regulatory Affairs **Puget Sound Energy** PO Box 97034, PSE-08N Bellevue, WA 98009-9734 425-456-2110 ken.s.johnson@pse.com

cc: Sheree Carson, Perkins Coie

Attachment: PSE-Weighted-Average-Cost-of-Propane-Fuel-Inventory-Q4-(2-15-18).xls