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

January 13, 2011

Mr. David Danner, Executive Director and Secretary Washington Utilities and Transportation Commission P.O. Box 47250 Olympia, Washington 98504-7250

Re: Docket No. UG-101962

Advice No. 2010-38 – Natural Gas Tariff Filing

Dear Mr. Danner:

On December 8, 2010 Puget Sound Energy (the "Company") filed with the Commission proposed changes to Schedule No. 1, Tax Adjustment affecting approximately 1,088 natural gas customers within the City of Medina. Pursuant to WAC 480-90-198, Notice Verification and Assistance, the Company is providing this statement that it has posted the above-referenced filing in accordance with WAC 480-90-193(1), Posting of Tariffs for Public Inspection and Review; Web, Telephone, and Mail Access.

The Company also states that notice to the public of the filing referenced above is being completed in accordance with WAC 480-90-195, Notice of Tariff Changes Other Than Increases in Recurring Charges and Restrictions in Access to Services. The following bill message is being provided to each affected natural gas customer with the first bill after the change became effective.

"The January 8, 2011 change in rates is the result of the City of Medina's new city tax. The city tax rate on your bill is 3.23%. This rate includes the effect of state and local taxes on the city tax and deductions allowed by the city."

Please contact Julie Waltari at (425) 456-2945 for additional information. If you have any other questions please contact me at (425) 462-3495.

Very truly yours,

Iam Di Bog

Tom DeBoer

Director, Federal & State Regulatory Affairs

cc: Simon J. ffitch

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