



Puget Sound Energy
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PSE.com

March 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. 2016-09
Natural Gas Tariff Filing - Filed Electronically**

Dear Mr. King:

Puget Sound Energy ("PSE") hereby submits proposed revisions to rates under its natural gas Schedule 140, Property Tax Tracker. This filing, pursuant to RCW 80.28.060 and Chapter 480-80 WAC, proposes revisions in the following natural gas tariff sheet:

WN U-2, (Natural Gas Tariff):
3rd Revision of Sheet No. 1140-B - Property Tax Tracker (Continued)

The primary purpose of this filing is to implement changes to rates under the established Property Tax Tracker, as provided in the Commission's Order 07 (Final Order Granting Petition) in Docket Nos. UE-121697 and UG-121705 (consolidated) which was combined with the Commission's Order 07 (Final Order Authorizing Rates) in Docket Nos. UE-130137 and UG-130138 (consolidated) ("Order 07"). Schedule 140 includes a mechanism for adjusting rates, both up and down; to pass through the cost of property taxes that PSE actually pays. Work papers supporting this filing are enclosed.

Schedule 140 provides that PSE must file revisions on or prior to April 15th for rates to be effective on May 1st each year. To allow adequate time for Commission Staff's review, this initial filing is being made a minimum of 30 days prior to the effective date with an estimate of the current year taxes. In addition, a subsequent substitute filing will be made as close to April 15th as possible, that will update the estimates to actual amounts.

Overall, this proposal represents an average increase of 0.3 percent in overall bills for all customers. The typical residential customer using 68 therms per month would experience an increase of \$0.22 in their monthly bill.

WAC 480-90-194 provides that the published notice informing customers of the proposed increase be provided at least thirty days prior to the effective date. In conjunction with the use of an estimate for property taxes not yet billed as described above, PSE respectfully requests that the Commission allow the use of that estimate in the notice to customers required by WAC 480-90-194. To the extent that this request requires approval by the Commission, PSE requests that approval. PSE will provide the required notice through a published notice as provided in WAC 480-90-194(2) on or prior to March 31, 2016.

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The tariff sheet described herein reflects an issue date of March 31, 2016, and an effective date of May 1, 2016. Posting of proposed tariff changes, as required by WAC 480-90-193, is being made by posting the proposed tariff sheet on the PSE web site immediately prior to or coincident with the date of this transmittal letter.

Please contact Ms. 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: Simon J. ffitich, Public Counsel
Sheree Carson, Perkins Coie
Ed Finklea, NWIGU