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PUGET SOUND ENERGY

The Energy To Do Great Things

Puget Sound Energy, Inc.

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August 31, 2011

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

RE: Advice No. 2011-20 – Electric Tariff Filing

Dear Mr. Danner:

Pursuant to RCW 80.28.060, WAC 480-80-101 and 105 please find enclosed for filing the following proposed revisions to the WN U-60, tariff for electric service of Puget Sound Energy, Inc. (the “Company” or “PSE”):

9th Revision of Sheet No. 194 – Schedule 194 – Residential And Farm Energy Exchange Benefit

The purpose of this filing is to implement changes to rates to pass-through an increase in the benefits that PSE expects to receive under a Residential Exchange Program Settlement Agreement (the “Agreement”) between PSE and the Bonneville Power Administration (“BPA”). The Agreement with BPA provides benefits to PSE’s eligible residential and farm customers on rate Schedules 7, 7A, 8, 10, 11, 12, 29, 35, 56, and 59 and this filing effects an increase in the credit rate and decreased total bills to all customers on these schedules. This proposal represents the pass-through to eligible residential and farm customers of a \$77,552,421 over the twelve months beginning October 1, 2011, at a credit rate of \$0.006785 per kWh.

This filing represents an increase in the amount of benefits available to PSE’s customers from the amount currently being credited to customers, resulting in a 0.5% or \$0.50 decrease in the total bill for a typical residential customer using 1,000 kWh per month.

The Agreement represents the implementation of a new methodology for allocation of benefits between investor-owned utilities based on their comparative Average System Cost (“ASC”). The filing does not change PSE’s net revenue, as it is a pass-through of funds received from BPA. Work papers supporting this filing are enclosed.

The tariff sheet described herein reflects an issue date of August 31, 2011, and an effective date of October 1, 2011. Posting of proposed tariff changes, 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 480-100-193.

This filing represents a bill decrease to all customers. The Company will provide notice to customers in accordance with WAC 480-100-193.

Please contact Lynn Logen at (425) 462-3872 for additional information about this filing. If you have any other questions please contact me at (425) 462-3495.

Very truly yours,



Tom DeBoer
Director, Federal & State Regulatory Affairs

Enclosures

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