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October 30, 2012

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

Re: Advice No. 2012-32 Natural Gas Tariff Filing – Filed Electronically

Dear Mr. Danner:

Pursuant to RCW 80.28.060 and WAC 480-80-101 and WAC 480-80-105(1)(c), please find enclosed for filing the following proposed revision to the WN U-2 Tariff for natural gas service of Puget Sound Energy (the "Company"):

21st Revision of Sheet No. 101-B - Natural Gas Schedule No. 1, Tax Adjustment (Continued)

The purpose of this filing is to incorporate the effect of changes to the municipal tax within the Cities of Toledo ("Toledo") and Winlock ("Winlock"). A copy of the approved City ordinances, Ordinance Nos. 711 and 988 (respectively) are enclosed.

The change imposed by the enclosed ordinances is increases from 5.0 percent to 6.0 percent in both the Toledo and Winlock tax rates. The Company estimates the resulting annualized increase in gross revenues from gas operations and corresponding increase in taxes due to be \$1,200 in Toledo and \$3,000 in Winlock.

The tariff sheet described herein reflects an issue date of October 30, 2012, and an effective date of December 1, 2012. Posting of proposed tariff changes, as required by law and the Commission's rules and regulations, is being completed through web, telephone and mail access in accordance with WAC 480-90-193. Pursuant to WAC 480-90-195 notice to customers will be provided in the first billing after the tariff revision becomes effective; the customers within the City will receive notification in the form of a bill message.

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

Lynn F. Logen, Ther. F. Cousultert

Tom DeBoer Director, Federal & State Regulatory Affairs

Enclosures

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