



Puget Sound Energy
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PSE.com

December 12, 2012

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

RE: Docket No. UE-121897 (Advice No. 2012-41) - **Do Not Redocket**
Substitute Tariff Filing – Filed Electronically

Dear Mr. Danner:

Puget Sound Energy, Inc. (“PSE” or the “Company”) hereby submits in connection with Docket No. UE-121897, the following substitute tariff sheets to replace the tariff sheets filed on November 30, 2012, under the Company’s Advice No. 2012-41. This substitute filing is pursuant to RCW 80.28.060 and Chapter 480-80 WAC and includes the following portion of the Company’s WN U-60, Tariff G for electric service.

- 3rd Revision of Sheet No. 137 - Schedule 137 – Temporary Customer Charge or Credit
- 3rd Revision of Sheet No. 137-a - Schedule 137 – Temporary Customer Charge or Credit (Continued)
- 3rd Revision of Sheet No. 137-b - Schedule 137 – Temporary Customer Charge or Credit (Continued)
- 3rd Revision of Sheet No. 137-c - Schedule 137 – Temporary Customer Charge or Credit (Continued)
- 3rd Revision of Sheet No. 137-d - Schedule 137 – Temporary Customer Charge or Credit (Continued)
- 3rd Revision of Sheet No. 137-e - Schedule 137 – Temporary Customer Charge or Credit (Continued)

The purpose of this filing is to update the rates in the enclosed tariff sheets to address commission staff’s concerns with the filing. The original filing reflected no changes in rates due to the Company’s request to make a single change in rates coordinated with the filing to include the effects, in Schedule 95A, of an expected treasury grant. This filing reflects the annual rate allocations and true-up provided for in the Multiparty Settlement RE: Electric Rate Spread, Electric Rate Design And Renewable Energy Credit Tracker (Attachment C to Order No. 08 in Docket Nos. UE-111048 and UG-111048) and Order No. 08 in Docket Nos. UE-111048 and UG-111048 (consolidated) (“Order 08”).

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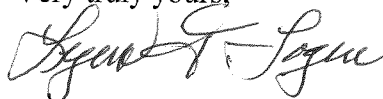
This substitution is provided for in WAC 480-80-111(a) as it is being made to address concerns of commission staff about the filing. Also enclosed is a replacement cover letter that reflects all of the tariff sheets included in this substitute filing. The tariff sheets described herein reflect the original issue date of November 30, 2012, and the original effective date of January 1, 2013.

This filing results in a reduction in the credit rates under Schedule 137 which translates to an overall increase in bills for most customers. For example, the typical residential customer using 1,000 kWh per month will see an increase of \$0.23 per month. The primary reason that the credit rates are lower is that the total amount of the credit is being spread over projected loads for twelve months as contrasted to 2012 when the total amount of the credit was spread to projected loads from May 14, 2012 through December 31, 2012. The amount being spread to rates also reflects a true-up due to loads being different in 2012 than projected, a true-up of the actual to estimated REC dollars received and removal of the credits from the environmental attributes of natural gas acquired from the Cedar Hills project which will be addressed separately in the future.

As mentioned above, the Company originally filed Schedule 137 with no change in rates and therefore did not provide notice to the public. This substitute filing results in an overall increase in rates to customers and in this situation the Company would typically provide notice under the provisions of WAC 480-100-194(2). The effective date of this filing is January 1, 2013, as provided in Order 08 is January 1, 2013. A published notice (as required by WAC 480-100-194) could not appear in area newspapers until approximately December 20 or just ten days prior to the effective date. Therefore by this letter the Company requests that the Commission grant a waiver of WAC 480-100-194 and allow customers to be provided notice under the provisions of WAC 480-100-195, by a message on or with the first billing when the change becomes effective.

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

Very truly yours,



Lynn F. Logen, Tariff Consultant

for

Tom DeBoer

Director, Federal & State Regulatory Affairs

Enclosure

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