



December 14, 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. 2016-38 Natural Gas Tariff Filing – Filed Electronically

Dear Mr. King:

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 revisions to the WN U-2, Tariff for natural gas service of Puget Sound Energy ("PSE"):

25th Revision of Sheet No. 101-B – Schedule No. 1, Tax Adjustment (Continued) 6th Revision of Sheet No. 101-D – Schedule No. 1, Tax Adjustment (Continued)

The purpose of this filing is to change the municipal tax within the City of Medina (the "City"). A copy of the approved City ordinance, Ordinance No. 941 is enclosed.

The enclosed ordinance increases the utility tax rate from 4 to 6 percent. PSE estimates the resulting annualized increase in gross revenues from natural gas operations and corresponding increase in taxes due, to be \$33,971.

The tariff sheets described herein reflect an issue date of December 14, 2016, and an effective date of January 14, 2017. 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 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, ESE-CSmit ERICE ENGLERT Manager, Regulatory Fritic twos & Tavits Ken Johnson Director, State Regulatory Affairs

Enclosures

cc: Lisa Gafken, Public Counsel Sheree Carson, Perkins Coie