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**PUGET SOUND ENERGY**

*The Energy To Do Great Things*

*Puget Sound Energy*

*P.O. Box 97034*

*Bellevue, WA 98009-9734*

August 1, 2016

Mr. Steven V. King  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
P.O. Box 47250  
Olympia, Washington 98504-7250

Re: Report of Weighted Average Cost of Propane Fuel Inventory  
Second Quarter - 2016

Dear Mr. King:

Pursuant to WN U-2 tariff for natural gas service of Puget Sound Energy ("PSE") Supplemental Schedule No. 101 Gas Cost Rates, please find enclosed the Report of Weighted Average Cost of Propane Fuel Inventory for the three months ended June 2016.

The weighted average cost to PSE of propane fuel inventory at the end of the second quarter of 2016 was \$4.15366 per therm. The weighted average cost of propane charged to customers under the provisions of Schedule 101 during the same period was \$4.15366 per therm. The weighted average cost of propane charged to customers will therefore remain at \$4.15366, which is within the approved banded rate.

Please contact Julie Waltari at [julie.waltari@pse.com](mailto:julie.waltari@pse.com) or (425) 456-2945 for additional information about this filing. If you have any other questions please contact me at (425) 456-2110.

Sincerely,

*Lynn F. Logen, Tariff Consultant*

*for*

Ken Johnson

Director, State Regulatory Affairs

Enclosures

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

**PUGET SOUND ENERGY**  
**WEIGHTED AVERAGE COST OF PROPANE FUEL INVENTORY**

REPORT FOR THE MONTH OF April 2016

Line (a)	Description (b)	Gallons (c)	Cost per Gallon (d)	Total Cost (e)	Therms (f)	Cost per Therm (g)
					(c)*.936 <sup>1</sup>	(d) / .936
					and sales from SAP <sup>2</sup>	
1	Current authorized minimum cost per therm:					\$3.73932
2	Current cost of propane in Rate 53: (rate changed on 7/1/15)					\$4.15366
3	Current authorized maximum cost per therm:					\$4.80769
4	Inventory balance forward at end of previous month:			\$5,280.49	1,271.3	\$4.15366
	<b>Propane purchases during report month:</b>					
5	Total deliveries by propane vendor during report month:	0.0	\$0.00000	\$0.00	0.0	\$0.00000
6	Total purchases in inventory:			\$5,280.49	1,271.3	\$4.15366
	<b>Sales during report month:</b>					
7	Sales from beginning inventory:			\$115.06	27.7	\$4.15366
8	Sales from purchases during month:			\$0.00	0.0	\$0.00000
9	Total sales during month (sum of lines 7 and 8):			\$115.06	27.7	\$4.15366
10	Inventory balance at end of report month:			\$5,165.44	1,243.6	\$4.15366

<sup>1</sup> .936 = conversion factor for purchases

<sup>2</sup> SAP = billing system

**PUGET SOUND ENERGY  
WEIGHTED AVERAGE COST OF PROPANE FUEL INVENTORY**

REPORT FOR THE MONTH OF May 2016

Line (a)	Description (b)	Gallons (c)	Cost per Gallon (d)	Total Cost (e)	Therms (f)	Cost per Therm (g)
					(c)* .936 <sup>1</sup>	(d) / .936
					and sales from SAP <sup>2</sup>	
1	Current authorized minimum cost per therm:					\$3.73932
2	Current cost of propane in Rate 53: (rate changed on 7/1/15)					\$4.15366
3	Current authorized maximum cost per therm:					\$4.80769
4	Inventory balance forward at end of previous month:			\$5,165.44	1,243.6	\$4.15366
	<b>Propane purchases during report month:</b>					
5	Total deliveries by propane vendor during report month:	0.0	\$0.00000	\$0.00	0.0	\$0.00000
6	Total purchases in inventory:			\$5,165.44	1,243.6	\$4.15366
	<b>Sales during report month:</b>					
7	Sales from beginning inventory:			\$94.29	22.7	\$4.15366
8	Sales from purchases during month:			\$0.00	0.0	\$0.00000
9	Total sales during month (sum of lines 7 and 8):			\$94.29	22.7	\$4.15366
10	Inventory balance at end of report month:			\$5,071.15	1,220.9	\$4.15366

<sup>1</sup> .936 = conversion factor for purchases

<sup>2</sup> SAP = billing system

**PUGET SOUND ENERGY  
WEIGHTED AVERAGE COST OF PROPANE FUEL INVENTORY**

REPORT FOR THE MONTH OF June 2016

Line (a)	Description (b)	Gallons (c)	Cost per Gallon (d)	Total Cost (e)	Therms (f)	Cost per Therm (g)
					(c)* .936 <sup>1</sup>	(d) / .936
					and sales from SAP <sup>2</sup>	
1	Current authorized minimum cost per therm:					\$3.73932
2	Current cost of propane in Rate 53: (rate changed on 7/1/15)					\$4.15366
3	Current authorized maximum cost per therm:					\$4.80769
4	Inventory balance forward at end of previous month:			\$5,071.15	1,220.9	\$4.15366
	<b>Propane purchases during report month:</b>					
5	Total deliveries by propane vendor during report month:	0.0	\$0.00000	\$0.00	0.0	\$0.00000
6	Total purchases in inventory:			\$5,071.15	1,220.9	\$4.15366
	<b>Sales during report month:</b>					
7	Sales from beginning inventory:			\$83.90	20.2	\$4.15366
8	Sales from purchases during month:			\$0.00	0.0	\$0.00000
9	Total sales during month (sum of lines 7 and 8):			\$83.90	20.2	\$4.15366
10	Inventory balance at end of report month:			\$4,987.25	1,200.7	\$4.15366

<sup>1</sup> .936 = conversion factor for purchases

<sup>2</sup> SAP = billing system