

Puget Sound Energy P.O. Box 97034 Bellevue, WA 98009-9734 PSEcom

December 10, 2012

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

**RE:** Docket No. UG-121896 (Advice No. 2012-40) - **Do Not Redocket** Substitute Tariff Filing – Filed Electronically

Dear Mr. Danner:

Puget Sound Energy, Inc. (the "Company" or "PSE") hereby submits, in connection with Docket No. UG-121896, the following substitute tariff sheet to replace the tariff sheet filed on November 30, 2012, under the Company's Advice No. 2012-40. 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-2 tariff for natural gas service.

Fourth Revision of Sheet No. 1132 Fifth Revision of Sheet No. 1132-A - Schedule 132 – Merger Rate Credit

- Schedule 132 – Merger Rate 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 Stipulation (Attachment A to Order No. 8 in Docket No. U-072375) and Order No. 8 in Docket No. U-072375.

Mr. David Danner Docket No. UG-121896 Advice No. 2012-31

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. The tariff sheets described herein reflect the original issue date of November 30, 2012, and the original effective date of January 1, 2013.

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,

Tom DiBuci

Tom DeBoer

Director, Federal & State Regulatory Affairs

Enclosure

cc:

Sheree Carson, Perkins Coie Simon ffitch, Public Counsel