



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

November 29, 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. 2016-34
Electric Tariff Filing – Filed Electronically**

Dear Mr. King:

Pursuant to RCW 80.28.060 and Chapter 480-80 WAC, please find enclosed for filing the following proposed revision to the WN U-60, Tariff G for electric service of Puget Sound Energy (“PSE”).

7th Revision of Sheet No. 137 - Schedule 137 – Temporary Customer Charge or Credit
7th Revision of Sheet No. 137-A - Schedule 137 – Temporary Customer Charge or Credit (Continued)
8th Revision of Sheet No. 137-B - Schedule 137 – Temporary Customer Charge or Credit (Continued)
8th Revision of Sheet No. 137-C - Schedule 137 – Temporary Customer Charge or Credit (Continued)
8th Revision of Sheet No. 137-D - Schedule 137 – Temporary Customer Charge or Credit (Continued)
8th Revision of Sheet No. 137-E - Schedule 137 – Temporary Customer Charge or Credit (Continued)
5th Revision of Sheet No. 137-F - Schedule 137 – Temporary Customer Charge or Credit (Continued)
4th Revision of Sheet No. 137-G - Schedule 137 – Temporary Customer Charge or Credit (Continued)

The purpose of this filing is (1) to comply with Order No. 8 Rejecting Tariff Sheets, Authorizing And Requiring Compliance Filing in Docket Nos. UE-111048 and UG-111049 (the “Order”) and the Multiparty Settlement Stipulation Re: Electric Rate Spread, Electric Rate Design And Renewable Energy Credit Tracker (“Settlement Stipulation”) approved by the Order to make a filing to reset rates effective January 1, 2017, and (2) to reflect the impacts of Order No. 10 Granting Motion To Amend Order 08 (“Order 10”) in Dockets UE-111048 and UG-111049 (consolidated) when resetting rates to become effective January 1, 2017.

PSE proposes to remove the existing credit and set Schedule 137 to zero, as the current balance of net proceeds is only \$80,000 at this time. These REC proceeds will be passed back to customers in the next annual filing. This change is a reduction of \$1,568,369 from the amount presently included in rates. The reasons REC proceeds are less than prior years are two-fold.

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First, with the increase in the state's Renewable Portfolio Standard ("RPS") requirement from 3% to 9% of average load, PSE has less excess RECs available for sale. Secondly, beginning in spring 2016, PSE suspended sales of excess RECs due to the uncertainty surrounding the proposed Clean Air Rule and its related compliance alternatives.

The tariff sheets described herein reflect an issue date of November 29, 2016, and effective date of January 1, 2017. Posting of proposed tariff change, as required by WAC 480-100-193, is being made by posting the proposed tariff sheets on the PSE web site immediately prior to, or coincident with, the date of this transmittal letter in accordance with WAC 480-100-193(1).

The Schedule 137 rates are credits and the decrease in the credit rates by this filing will result in a net increase to customer bills. Because the effect of the proposed setting of rates to zero in this filing is an increase in customer bills, PSE will publish the notice of the change in accordance with WAC 480-100-194(2), at least thirty days prior to the proposed effective date.

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,



Ken Johnson
Director, State Regulatory Affairs

Enclosures

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