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June 27, 2018

VIA EMAIL AND WEB PORTAL

Mark L. Johnson **Executive Director and Secretary** Washington Utilities and Transportation Commission 1300 S. Evergreen Park Dr. S.W. P.O. Box 47250

WUTC v. Puget Sound Energy (PSE 2018 ERF) Re: Dockets UE-180532 and UG-180533

Dear Mr. Johnson:

This letter responds to Commission Staff's letter dated June 27, 2018, and provides formal notice that Puget Sound Energy ("PSE" or "Company") intends to withdraw its expedited rate filing ("ERF"), filed on June 15, 2018. PSE anticipates filing a motion to withdraw the ERF in the next few days and recommends that the Commission cancel the prehearing conference scheduled for June 28, 2018, pending PSE's motion and the Commission's response.

Turning to Staff's letter, PSE disagrees both as a matter of law and fact to the alleged basis for Staff's anticipated motion. First, PSE objects to Staff's assertion that the ERF fails some "threshold burden." PSE's ERF demonstrates that the Company's current delivery rates will not be fair, just, reasonable or sufficient absent rate relief. Second, PSE respectfully disagrees with Staff's suggestion that the ERF fails to comply with the Multiparty Settlement Agreement in PSE's 2017 general rate case or with the Commission rules. The ERF mirrors the processes used in PSE's ERF filed in 2013, and from PSE's perspective, is in direct compliance with the procedures set forth in the 2017 general rate case, both of which Staff expressly approved. Finally, the Company believes it has provided sufficient evidence supporting its rate base additions since the 2017 general rate case and is entitled to rate relief.

While PSE disagrees with Staff's anticipated motion, PSE is concerned that a lengthy briefing process would disrupt the 120-period for processing PSE's ERF and result in a prolonged procedural schedule. As such, PSE will move to withdraw the ERF and is currently reevaluating its options in light of Staff's position in this case.

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Please do not hesitate to contact me should you have any questions.

Very truly yours,

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David S. Steele

DSS

cc. Parties