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February 23, 2016

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VIA WEB PORTAL AND OVERNIGHT MAIL

Steven King and Marguerite Friedlander Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive, SW Olympia, WA 98504

Re: PCA Mechanism Report Filing Date Docket No. UE-130617

Dear Judge Friedlander:

Pursuant to the settlement agreement approved by the Twelfth Supplemental Order in Docket Nos. UE-011570 and UG-011571, Puget Sound Energy ("PSE") is obligated to file an annual true up of power costs and an accounting of power cost sharing related to its Power Cost Adjustment Mechanism ("PCA Mechanism Report"). In March 2015, following a PCA Collaborative, PSE, Public Counsel, and WUTC Staff (collectively, "Settling Parties") executed a settlement agreement that modified the PCA Mechanism, including changing the deadline for filing PSE's PCA Mechanism Report from March to April of each year. The Settling Parties agreed that the modified PCA Mechanism would take effect January 1, 2017. The Commission approved the settlement agreement in Order 11, issued in PSE's 2013 PCORC.

Due to significant filing commitments in March 2016, PSE proposed to the other Settling Parties that PSE file its annual PCA Mechanism Report for the calendar year 2015 by April 30, 2016 rather than March 31, 2016. No other obligation under the settlement agreement would be accelerated or changed. PSE also consulted with the Industrial Customers of Northwest Utilities ("ICNU"), which participated in the PCA Collaborative but was not a Settling Party. WUTC Staff accepted PSE's proposal. Public Counsel responded that it did not opposed PSE's proposal, and ICNU responded that it neither supported nor opposed PSE's proposal. Accordingly, by this letter, PSE notifies the Commission that it will file the 2016 annual PCA report by April 30, 2016.

¹ The agreement resulted from a collaborative in PSE's 2013 Power Cost Only Rate Case, Docket Nos. UE-130583, UE-130617, UE-131099 and UE-131230 (consolidated) ("2013 PCORC").

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Please contact me with any questions or concerns.

Very truly yours,

Donna B.
Donna L. Barnett

DLB