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March 31, 2015

VIA WEB PORTAL AND HAND DELIVERY

Steven King, Executive Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, WA 98504-7250

**Re: Petition of Puget Sound Energy, Inc. For Approval of its
Power Cost Adjustment Mechanism Annual Report for the
Twelve Months Ended December 31, 2014**

Dear Mr. King:

Enclosed for filing are an original and twelve copies of the Petition of Puget Sound Energy, Inc. ("PSE") for Approval of its Power Cost Adjustment Mechanism Annual Report, and an original and twelve copies of the Power Cost Adjustment Mechanism Annual Report for PCA Period 13.

This Petition presents for the Commission's review and approval PSE's Power Cost Adjustment Mechanism Annual Report for the Twelve Months Ended December 31, 2014—PCA Period 13. The Petition is filed in compliance with the Sixteenth Supplemental Order (Amending the Twelfth Supplemental Order) in Docket Nos. UE-011570 and UG-011571.

In support of its Petition, PSE presents the prefiled direct testimony and accompanying exhibits of: Ms. Katherine J. Barnard, PSE's Director of Revenue Requirements and Regulatory Compliance, and Mr. David E. Mills, PSE's Vice President, Energy Operations. Additionally, an original and two copies of supporting work papers are being submitted to Staff, and a courtesy copy of the work papers are being provided to Public Counsel and the Industrial Customers of Northwest Utilities.

Steven King
March 31, 2015
Page 2

Please note that the materials submitted in support of PSE's Petition include information and documents that are **CONFIDENTIAL PURSUANT TO WAC 480-07-160**. These materials include extensive, current information regarding PSE's risk management analyses and strategies, details regarding specific hedging transactions, and other information that is commercially sensitive and would harm PSE, its customers and shareholders if released. Some of the information may not be publicly released due to restrictions placed on PSE by third parties who provided or are identified in the materials and would be harmed by public release of the information.

Electronic copies of these materials, including confidential versions, have been filed via the Commission's web portal.

Thank you for your assistance.

Very truly yours,



Donna L. Barnett

DLB:cgm
Enclosures