

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

February 1, 2017

Via Web Portal

Steven V. King, Executive Director and SecretaryWashington Utilities and Transportation CommissionP.O. Box 472501300 S. Evergreen Park Drive S.W.Olympia, Washington 98504-7250

Re: Docket UE-131883 Distributed Generation Annual Report

Dear Mr. King:

Attached is Puget Sound Energy's ("PSE's") State Tax Incentive Annual Report and Net metering Report six-month Update dated February 1, 2017, filed pursuant to the Commission's letter dated May 20, 2016 in the above-referenced docket.

The report includes information on state tax incentives for distributed generation (RCW 82.16.110-130) paid by PSE during the reporting period of July 1, 2015 to June 30, 2016. This report also includes an update on the total number of new net metered and non-net metered system installations by technology between May 1 and October 31, 2016, and the total nameplate and average capacity of those newly installed systems.

The Commission also requested that utilities provide any communication sent to all participants or applicants regarding the administration of the incentive program for the last fiscal year, or current fiscal year. In response, PSE has included in this filing three communication pieces sent to program participants during the required reporting period(s).

Please contact Nate Hill at (425) 457-5524 (nate.hill@pse.com), or Heather Mulligan at (425) 456-2916 (<u>heather.mulligan@pse.com</u>) for additional information about this filing. If you have any other questions, please contact me at (425) 456-2110.

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Sincerely, for

Manager Regulatory Initiatives

Ken Johnson Director, State Regulatory Affairs

Enclosures

cc: Lisa Gafken, Public Counsel; Sheree Carson