



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

May 18, 2018

VIA WEB PORTAL

Mr. Mark L. Johnson, Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

RE: 2018 Qualifying Events – February 17, 2018 Qualifying Events Report

Dear Mr. Johnson:

Pursuant to the paragraph 246 of Final Order No. 6, Dockets UE-040641 and UG-040640 et al.¹, for the purpose of the Qualifying Storm Loss Deferral Mechanism, Puget Sound Energy (“PSE”) hereby provides a detailed report for the qualifying event which occurred on February 17, 2018.

Starting from the 2018 calendar year, PSE continues its existing Qualifying Storm Loss Deferral Mechanism for any storm restoration costs incurred on or after January 1, 2018, with the following modifications that were agreed to in settlement and the settlement was approved by the Commission in PSE’s 2017 general rate case²:

- (i) the cumulative annual cost threshold for deferral of storms under the Qualifying Storm Loss Deferral Mechanism shall be increased from \$8 million to \$10 million,
- (ii) qualifying events that cost less than \$500,000 will not qualify for deferral, and
- (iii) the cumulative annual cost threshold for the Qualifying Storm Loss Deferral Mechanism shall exclude storm events with costs less than \$500,000.

(Page 22 of Appendix B to Order 08 in consolidated Dockets UE-170033 and UG-170034)

¹ As modified and continued in accordance with the paragraph No. 10 of the Partial Settlement of Electric and Natural Gas Revenue Requirements in Final Order No. 12 of Dockets UE-072300 and UG-072301 (consolidated), the paragraph No. 299 of Order 08 in Dockets UE-111048 and UG-111049 (consolidated) and the paragraph No. 206 of Order 08 in Dockets UE-170033 and UG-170034 (consolidated).

² The paragraph No. 196 of Order 08 in Dockets UE-170033 and UG-170034 (consolidated) and Appendix B to the order.

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This second 2018 Qualifying Events Report, as of April 30, 2018, summarizes the preliminary electric system restoration costs associated with the February 17th event. Costs for this event will continue to be included in upcoming storm reporting.

If you have any questions regarding the information in this filing, please contact Mei Cass at (425) 462-3800. If you have any other questions, please contact me at (425) 456-2142.

Sincerely,

/s/ Jon Piliaris

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Attachment:

UE-040641-UG-040640-PSE-Qualifying-Event-Report-Feb17-2018-(5-18-18).docx