



Puget Sound Energy  
P.O. Box 97034  
Bellevue, WA 98009-9734  
[PSE.com](http://PSE.com)

May 14, 2018

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

**Re: Settlement Stipulation, Exhibit A, Settlement Terms for the Power Cost Adjustment Mechanism (PCA), Docket UE-011570**

Dear Mr. Johnson:

Attached is Puget Sound Energy's ("the Company") quarterly report of the power cost deferral calculation.

In the Commission's Third Supplemental Order in Docket UE-011570, the Company received approval of the Settlement Stipulation which resolved all electric issues and common electric-natural gas issues in the consolidated proceeding, as well as some natural gas issues. Included in the Stipulation was Exhibit A to the Stipulation, Settlement Terms for the PCA, which contained detail of the agreement regarding a power-cost adjustment mechanism. The quarterly report is required by the PCA Settlement, Exhibit A, paragraph 4 (third bullet).

Please contact me at (425) 456-2105 should you have any questions.

Regards,

*/s/ Susan Free*

Susan E. Free  
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cc: Lisa W. Gafken, Assistant Attorney General  
Sally Brown, WUTC

Attachment:  
UE-011570-PSE-Q1-2018-PCA-Quarterly-Report-(05-14-18).xlsx