

# June 7, 2016

Mr. Steven V. King

Executive Director and Secretary

Washington Utilities and Transportation Commission

P.O. Box 47250

Olympia, Washington 98504-7250

**RE: Docket Nos. UE-121697 and UG-121705**

**Decoupling Information Filing – Filed Electronically**

Dear Mr. King:

Puget Sound Energy (“PSE”) hereby provides the Commission with the report containing the Second Year Evaluation of PSE’s electric and gas decoupling mechanisms approved in Docket Nos. UE-121697 and UG-121705 (the “Decoupling Dockets”). This evaluation covers the first two years of operation of PSE’s decoupling mechanisms, July 2013 through June 2015.

One condition associated with the approval of PSE’s electric and gas decoupling mechanisms in Order No. 7 in the Decoupling Dockets was the third-party evaluation of these mechanisms. As contemplated in the Commission’s approval of PSE’s decoupling mechanism, this third-party evaluation was to be filed as part of PSE’s next general rate case (“GRC”), which was to be filed no later than April 1, 2016. On March 9, 2016, PSE and other parties to the Decoupling Dockets jointly filed to extend the date by which PSE files its next GRC to no later than January 17, 2017. This petition was approved from the bench during a hearing on March 17, 2016.

With the filing deadline for PSE’s next GRC extended, certain stakeholders to the decoupling evaluation have expressed an interest in formally commenting on the second year evaluation report prior to PSE’s next GRC. In response, PSE has agreed to file this report in the original Decoupling Dockets so that parties could have an opportunity to submit comments. This filing fulfills that commitment.

Further, with the date of its next GRC extended to no later than January 17, 2017, PSE intends to file a third year evaluation of its decoupling mechanisms in that case.

Please contact Jon Piliaris at (425) 456-2142 or jon.piliaris@pse.com for additional information about this filing. If you have any other questions please contact me at (425) 456‑2110.

 Sincerely,

 Ken Johnson

 Director, State Regulatory Affairs

Enclosures

cc: Simon J. ffitch, Public Counsel

Sheree Carson, Perkins Coie