



# PUGET SOUND ENERGY

*The Energy To Do Great Things*

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

September 16, 2011

Mr. David Danner  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
P.O. Box 47250  
Olympia, Washington 98504-7250

*Filed Electronically and via Overnight Mail*

**Re: Petition of Puget Sound Energy, Inc. For a Declaratory Order and an Accounting Order (Regarding the Reclassification of Certain Facilities and Accounting Treatment Consistent Therewith)**

Dear Mr. Danner:

Enclosed are an original and twelve copies of the Petition of Puget Sound Energy, Inc. ("PSE" or the "Company") for a Declaratory Order (hereinafter "Petition") approving PSE's proposed reclassification of its 55 kV-115 kV facilities as transmission facilities and for an Accounting Order authorizing the Company to apply such reclassification of transmission from distribution facilities in PSE's accounts and reports to the Washington Utilities and Transportation Commission ("WUTC" or "Commission"). Also enclosed is the Affidavit of John M. Phillips in support of the Petition.

On January 2, 2001, PSE filed with the WUTC a petition for a declaratory order for proposed classification of transmission and distribution facilities and an accounting order to reflect the classifications. The Company requested: (1) 230 kV and above be classified as transmission; (2) 55-115 kV previously classified as transmission be classified as wholesale distribution; and (3) all facilities 34 kV or lower classified as retail distribution. The Commission approved the proposed classification and accounting in its final order issued on April 5, 2001 in Docket No. UE-010010.

On December 26, 2001, PSE filed a similar request with the Federal Energy Regulatory Commission ("FERC") which approved the classification of its transmission and wholesale distribution facilities and the proposed rates based on the reclassification.

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In this filing PSE is proposing reclassification of its Washington Area wholesale distribution facilities that operate at 55 kV – 115 kV as transmission facilities and is requesting that the Commission issue Declaratory and Accounting Orders granting PSE's request for reclassification and also the appropriate accounting treatment resulting from such reclassification in PSE's accounts. The enclosed exhibits list transmission lines and substations proposed to be reclassified as transmission facilities.

As described in more detail in the Petition, PSE submits this Petition as a necessary first step in order for PSE to make a similar request to FERC in conjunction with a filing to update its transmission rates with FERC later this year. Accordingly, PSE respectfully requests the WUTC issue a decision on this Petition on or before November 1, 2011 to allow PSE to incorporate the Commission's decision into the FERC filing later in November.

This petition is being submitted via the Washington Utilities and Transportation Commission's Records Center Web Portal electronic-filing system and by overnight mail.

If you have any questions regarding this filing, please contact me at (425) 462-3495.

Very truly yours,



Tom DeBoer  
Director, Federal & State Regulatory Affairs

Enclosures

cc: Bob Cedarbaum  
Simon ffitc  
Sheree Strom Carson