



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

February 29, 2012

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

**Re: Notice of Intent to Defer Costs**

Dear Mr. Danner:

Puget Sound Energy, Inc. ("PSE"), pursuant to WAC 480-100-435(3)(a), hereby provides notice to the Washington Utilities and Transportation Commission (the "Commission") of its intent to defer costs associated with Phase 1 of PSE's Lower Snake River Project. In 2009, the Legislature amended RCW 80.80.060 to allow for deferral of costs associated with an electric company's ownership of an eligible renewable resource as defined in RCW 19.285.030. PSE's Lower Snake River Project is an eligible renewable resource under the statute and thus is eligible for deferral of costs as provided by the statute and WAC 480-100-435(1).

Phase 1 of the Lower Snake River Project consists of 149 new wind turbines and related infrastructure that is located at the Lower Snake River Project near Pomeroy, Washington. PSE anticipates the project will begin commercial operation on February 29, 2012 and PSE will begin deferring costs on that date.

Very truly yours,

A handwritten signature in blue ink that reads 'Tom DeBoer'.

Tom DeBoer  
Director – Federal & State Regulatory Affairs

cc: Sheree Carson  
Simon ffitc