



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

November 15, 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 Ferndale Generation Station pursuant to RCW 80.80.060(6). As stated in the Commission order in Docket No. UE-121594, the Ferndale Generation Station is "baseload electric generation" and meets the Greenhouse Gas Emissions Performance Standard of 1,100 pounds of CO₂ per MWh under RCW 80.80.040(1)(a) and as otherwise applicable for purposes of Chapter 80.80 RCW. PSE's new ownership interest in the Ferndale Generation Station constitutes a long-term financial commitment for baseload electric generation, which allows PSE to defer such costs associated with pursuant to RCW 80.80.060(6) and WAC 480-100-435.

The Ferndale Generation Station and its associated interconnection equipment are located in Whatcom County, Washington. PSE will be taking ownership of the plant on November 15, 2012 and the company will begin deferring costs on that date.

Very truly yours,

A handwritten signature in black ink that reads "Tom DeBoer".

Tom DeBoer
Director – Federal & State Regulatory Affairs

cc: Sheree Carson
Simon ffitch