



The Energy To Do Great Things

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PSE.com

October 17, 2017

**Filed Via Web Portal**

Mr. Steven V. King, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
P.O. Box 47250  
Olympia, WA 98504-7250

**Re: Natural Gas Preliminary Hedging Plan**

Dear Mr. King:

Puget Sound Energy (“PSE”) hereby submits a Preliminary Hedging Plan as required by the Policy and Interpretive Statement on Natural Gas Hedging Practices in Docket UG-132019. This Preliminary Hedging Plan was initially included in PSE’s PGA filing made on September 15, 2017 in Docket UG-170975. Upon request of the Commission’s Staff PSE is re-submitting its Preliminary Hedging Plan as a standalone document to be docketed separately from PSE’s PGA filing. PSE is submitting concurrently with this submission a substitute cover letter for its PGA filing under Docket UG-170975 to omit reference to and inclusion of the Preliminary Hedging Plan.

The Preliminary Hedging Plan describes PSE’s plan for incorporating risk-responsive hedging strategies for the November 1, 2017 through October 31, 2018 PGA year and beyond. Contained within this plan is a description of PSE’s hedging objectives and approach to addressing the basic elements of risk-responsive hedging; including objectives and goals, exposure quantification, strategic initiatives, and oversight and control.

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Questions regarding this submission can be directed to Paul Schmidt at (425) 462-3180. If you have any other questions, or if I can be of any assistance, please contact me at (425) 456-2110.

Sincerely,

*/s/ Kenneth S. Johnson*

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Director, State Regulatory Affairs  
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cc: Lisa Gafken, Public Counsel  
Sheree Carson, Perkins Coie  
Edward Finklea  
Chris McGuire, WUTC

Attachment:  
Preliminary Hedging Plan