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April 28, 2017

VIA WEB PORTAL

Steven King, Executive Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, WA 98504-7250

**Re: Petition of Puget Sound Energy For Approval of its
Power Cost Adjustment Mechanism Annual Report for the
Twelve Months Ended December 31, 2016**

Dear Mr. King:

Enclosed for filing is the Petition of Puget Sound Energy ("PSE") for Approval of its Power Cost Adjustment Mechanism Annual Report, and of the Power Cost Adjustment Mechanism Annual Report for PCA Period 15. This Petition presents for the Commission's review and approval PSE's Power Cost Adjustment Mechanism Annual Report for the Twelve Months Ended December 31, 2016 (PCA Period 15) PCA Period 15. The Petition is filed in compliance with the Sixteenth Supplemental Order (Amending the Twelfth Supplemental Order) in Dockets UE-011570 and UG-011571.

In support of its Petition, PSE presents the prefiled direct testimony and accompanying exhibits of: Katherine J. Barnard, PSE's Director of Revenue Requirements and Regulatory Compliance, and Paul K. Wetherbee, Director, Energy Supply Merchant.

Following are the documents included in this submission:

1. PCA 15 Cover Letter PSE (4-28-17).doc
2. PCA 15 Cover Letter PSE (4-28-17).pdf
3. PCA 15 COS PSE (4-28-17).doc
4. PCA 15 COS PSE (4-28-17).pdf
5. PCA 15 Petition PSE (4-28-17).docx
6. PCA 15 Petition PSE (4-28-17).pdf
7. PCA 15 Petition Exh A PSE (4-28-17).pdf
8. KJB-1T PCA 15 Barnard PSE (4-28-17).doc
9. KJB-1T PCA 15 Barnard PSE (4-28-17).pdf
10. KJB-2 PCA 15 Barnard PSE (4-28-17).docx
11. KJB-2 PCA 15 Barnard PSE (4-28-17).pdf
12. KJB-3 PCA 15 Barnard PSE (4-28-17).doc
13. KJB-3 PCA 15 Barnard PSE (4-28-17).pdf
14. KJB-4 PCA 15 Barnard PSE (4-28-17).pdf
15. PKW-1CT PCA 15 Wetherbee PSE (4-28-17)(C).docx
16. PKW-1CT PCA 15 Wetherbee PSE (4-28-17)(C).pdf
17. PKW-1CT PCA 15 Wetherbee PSE (4-28-17)(R).pdf
18. PKW-2 PCA 15 Wetherbee PSE (4-28-17).docx
19. PKW-2 PCA 15 Wetherbee PSE (4-28-17).pdf
20. PKW-3C PCA 15 Wetherbee PSE (4-28-17)(C).docx
21. PKW-3C PCA 15 Wetherbee PSE (4-28-17)(C).pdf
22. PKW-3C PCA 15 Wetherbee PSE (4-28-17)(R).pdf
23. PKW-4C PCA 15 Wetherbee PSE (4-28-17)(C).xlsx
24. PKW-4C PCA 15 Wetherbee PSE (4-28-17)(C).pdf
25. PKW-4C PCA 15 Wetherbee PSE (4-28-17)(R).pdf
26. PKW-5C PCA 15 Wetherbee PSE (4-28-17)(C).xlsx
27. PKW-5C PCA 15 Wetherbee PSE (4-28-17)(C).pdf
28. PKW-5C PCA 15 Wetherbee PSE (4-28-17)(R).xlsx
29. PKW-5C PCA 15 Wetherbee PSE (4-28-17)(R).pdf
30. PKW-6 PCA 15 Wetherbee PSE (4-28-17).xlsx
31. PKW-6 PCA 15 Wetherbee PSE (4-28-17).pdf
32. PKW-7C PCA 15 Wetherbee PSE (4-28-17)(C).doc
33. PKW-7C PCA 15 Wetherbee PSE (4-28-17)(C).pdf
34. PKW-7C PCA 15 Wetherbee PSE (4-28-17)(R).doc
35. PKW-7C PCA 15 Wetherbee PSE (4-28-17)(R).pdf
36. PKW-8C PCA 15 Wetherbee PSE (4-28-17)(C).xlsx
37. PKW-8C PCA 15 Wetherbee PSE (4-28-17)(C).pdf
38. PKW-8C PCA 15 Wetherbee PSE (4-28-17)(R).pdf
39. PKW-9C PCA 15 Wetherbee PSE (4-28-17)(C).xlsx
40. PKW-9C PCA 15 Wetherbee PSE (4-28-17)(C).pdf
41. PKW-9C PCA 15 Wetherbee PSE (4-28-17)(R).pdf

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Additionally, electronic work papers are being submitted to WUTC Staff, and a courtesy copy of the work papers are being provided to Public Counsel and the Industrial Customers of Northwest Utilities.

Please note that the materials submitted in support of PSE's Petition include information that is **CONFIDENTIAL PURSUANT TO WAC 480-07-160**. These materials include extensive, current information regarding PSE's risk management analyses and strategies, details regarding specific hedging transactions, and other information that is commercially sensitive and would harm PSE, its customers and shareholders if released. Some of the information may not be publicly released due to restrictions placed on PSE by third parties who provided or are identified in the materials and would be harmed by public release of the information.

Electronic copies of these materials, including confidential versions, have been filed via the Commission's web portal.

Thank you for your assistance.

Very truly yours,

A handwritten signature in blue ink that reads "Donna Barnett" with a horizontal line extending to the right.

Donna L. Barnett

DLB:cgm
Enclosures

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