

**EXHIBIT NO. ___(CES-10)
DOCKET NO. UE-060266/UG-060267
2006 PSE GENERAL RATE CASE
WITNESS: CALVIN E. SHIRLEY**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**Docket No. UE-060266
Docket No. UG-060267**

**FIRST EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED REBUTTAL TESTIMONY OF
CALVIN E. SHIRLEY
ON BEHALF OF PUGET SOUND ENERGY, INC.**

AUGUST 23, 2006

NPV of Energy Benefits, TRC Costs, and net Savings from Electric Energy Efficiency

Assumptions

Levelized Value of Saved Energy	\$ 59	per MWh	Exhibit No. __ (CES-5), p. 6 of 10
Levelized Total Resource Cost	\$ 41	per MWh	Exhibit No. __ (CES-5), p. 6 of 10
Levelized Net Savings	\$ 18	per MWh	Exhibit No. __ (CES-5), p. 6 of 10
Average Life of Savings	10	Years	Exhibit No. __ (CES-5), p. 6 of 10
Discount Rate	7.01%		Exhibit No. __ (CES-5), p. 9 of 10

Calculation of NPV per 1st-Year MWh Savings

Year	1	2	3	4	5	6	7	8	9	10	Cum. NPV	Levelized \$/MWh
Value of Saved Energy												
\$/MWh	\$ 59.00	\$ 59.00	\$ 59.00	\$ 59.00	\$ 59.00	\$ 59.00	\$ 59.00	\$ 59.00	\$ 59.00	\$ 59.00	\$414	\$59.00
Total Resource Cost												
\$/MWh	\$ 41	\$ 41	\$ 41	\$ 41	\$ 41	\$ 41	\$ 41	\$ 41	\$ 41	\$ 41	\$288	\$41.00
Net Savings												
\$/MWh	\$ 18	\$ 18	\$ 18	\$ 18	\$ 18	\$ 18	\$ 18	\$ 18	\$ 18	\$ 18	\$126	\$18.00

Total NPV Net Savings for 20 aMW 1st-Year Energy Savings

MWh Saved	175,200
NPV Net Savings per MWh	\$ 126
Total NPV Net Savings	\$ 22,139,332