



*The Energy To Do Great Things*

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

May 15, 2009

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

2009 MAY 15 PM 3:46  
COMMUNICATIONS SECTION

**Re: Settlement Stipulation, Exhibit A, Settlement Terms for the Power Cost Adjustment Mechanism (PCA), Docket No. UE-011570**

Dear Mr. Danner:

Attached are an original and two copies of Puget Sound Energy, Inc.'s ("the Company") quarterly report of the power cost deferral calculation.

In the Commission's Third Supplemental Order in Docket No. UE-011570, the Company received approval of the Settlement Stipulation which resolved all electric issues and common electric-natural gas issues in the consolidated proceeding, as well as some natural gas issues. Included in the Stipulation was Exhibit A to the Stipulation, Settlement Terms for the PCA, which contained detail of the agreement regarding a power-cost adjustment mechanism. The quarterly report is required by the PCA Settlement, Exhibit A, paragraph 4 (third bullet).

Please contact me at (425) 462-3885 if you have any questions.

Sincerely,

John H. Story  
Director, Cost & Regulation

cc Simon J. ffitich, Assistant Attorney General  
Gene Waas, WUTC  
Bob Cedarbaum, WUTC  
All parties to UE-011570



**Schedule B: Monthly Power Costs -- PCA PERIOD 8**  
**Derived from Original PCA Exhibit B**  
**Subject to PCA Sharing**  
**UE-011570**

Row		Jan-09	Feb-09	Mar-09
6	Return on Fixed RB	\$ 10,930,666	\$ 10,930,666	\$ 10,930,666
7	Other Fixed Costs	16,396,179	16,396,179	16,396,179
8	Subtotal Fixed Costs	\$ 27,326,844	\$ 27,326,844	\$ 27,326,844
9	Total Variable Component Actual			
10				
11	FERC Acct.			
12	501	\$ 5,540,327	\$ 4,822,584	\$ 5,272,800
13	547	6,420,826	15,079,705	10,484,513
14	45600012,18,80,81,130	4,606,695	1,355,822	2,893,877
15	555	84,170,522	75,916,941	79,575,286
16	447	(2,377,562)	(4,201,284)	(2,772,087)
17	565	(716,519)	(696,878)	(523,620)
18	45610005	124,558	124,558	124,558
19	40700015	346,846	346,846	346,846
20	40730041			
21	Subtotal Variable Components	\$ 104,129,406	\$ 98,932,422	\$ 101,609,848
22	Regulatory Assets (Return on RB portion only)	1,526,477	1,526,477	1,526,477
23	Fixed and Interest Costs on Hedging Facility 42806051, 43100071, 41900031	37,407	584	79,023
24	<b>SUBTOTAL before Adjustments</b>	\$ 133,020,134	\$ 127,786,327	\$ 130,542,192
25				
26	<b>Adjustments:</b>			
27	Prudence from UE-921262	\$ (237,136)	\$ (200,235)	\$ (206,957)
28	Contract price adjustment - discontinued Jan 13, 2007			
29	Colstrip availability adjustment			
30	New resource pricing adj-Credit Suisse PPA (Jan09-Feb10)	(15,215)	(13,742)	(15,195)
31	Tenaska Disallowance (prior month adj)	(401,689)	(401,689)	(401,689)
32	Tenaska Disallowance (current month adj)			
33				
34				
35	Subtotal Adjustments	\$ (654,040)	\$ (615,666)	\$ (623,841)
36	<b>Total allowable costs</b>	\$ 132,366,094	\$ 127,170,661	\$ 129,918,351
37				
38	PCA period delivered load (Kwh)	2,265,357,685	1,937,412,559	2,062,141,038
39	<b>Baseline Power Cost</b>	\$ 142,357,342	\$ 121,748,943	\$ 129,587,005
40	11/1/08 -			
41				
41a	Imbalance for Sharing	\$ (9,991,248)	\$ 5,421,719	\$ 331,346
42	positive is potential customer surcharge, negative is potential cust credit			
43				
44				
45	Nov 1'08 -			
46	0.035961%			
47	Less Firm Wholesale	\$ (9,987,655)	\$ 5,419,769	\$ 331,227
48	Gross PCA	\$ (9,987,655)	\$ 5,419,769	\$ 331,227
49	Gross PCA Contra	\$ 9,987,655	\$ (5,419,769)	\$ (331,227)
50	PCA Off-set	\$ -	\$ -	\$ -
51	Adjusted Gross PCA	\$ (9,987,655)	\$ 5,419,769	\$ 331,227
52	Adjusted Gross PCA - Contra	\$ 9,987,655	\$ (5,419,769)	\$ (331,227)
53	Cumulative Gross PCA	\$ (9,987,655)	\$ (4,567,886)	\$ (4,236,659)
54	Cumulative Gross PCA Contra	\$ 9,987,655	\$ 4,567,886	\$ 4,236,659
55	Cumulative PCA Off-set	\$ -	\$ -	\$ -
56	Cumulative Adjusted Gross PCA	\$ (9,987,655)	\$ (4,567,886)	\$ (4,236,659)
57	Cumulative Adjusted Gross PCA Contra	\$ 9,987,655	\$ 4,567,886	\$ 4,236,659

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the following parties of record in this proceeding via first class U.S. mail:

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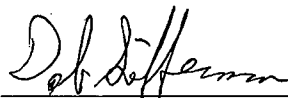
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Dated: May 15, 2009



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