



PUGET SOUND ENERGY

The Energy To Do Great Things

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

August 13, 2010

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

**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
Mike Parvinen, WUTC
Bob Cedarbaum, WUTC

Schedule B: Monthly Power Costs -- PCA PERIOD 9
Derived from Original PCA Exhibit B
Subject to PCA Sharing
UE-011570

Row	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
6						
7	\$ 10,930,666	\$ 10,930,666	\$ 10,930,666	\$ 12,982,547	\$ 13,607,032	\$ 13,607,032
8	\$ 16,996,179	\$ 16,996,179	\$ 16,996,179	\$ 16,934,588	\$ 17,098,452	\$ 17,098,452
9	\$ 27,326,844	\$ 27,326,844	\$ 27,326,844	\$ 29,917,135	\$ 30,705,485	\$ 30,705,485
10						
11	\$ 6,842,158	\$ 4,543,006	\$ 6,604,372	\$ 5,193,994	\$ 5,782,664	\$ 3,893,747
12	\$ 8,700,330	\$ 14,696,874	\$ 16,821,920	\$ 17,971,969	\$ 5,849,208	\$ 3,270,390
13	\$ 3,297,961	\$ 1,928,500	\$ 2,703,109	\$ 1,493,855	\$ 1,247,632	\$ 1,444,494
14	\$ 87,684,661	\$ 76,444,652	\$ 76,895,087	\$ 49,456,267	\$ 44,229,652	\$ 53,952,374
15	\$ (5,895,128)	\$ (4,057,814)	\$ (7,255,304)	\$ (8,010,653)	\$ (4,380,795)	\$ (2,078,052)
16	\$ 6,215,108	\$ 6,184,318	\$ 5,963,861	\$ 6,590,581	\$ 6,571,195	\$ 6,722,010
17	\$ (164,851)	\$ (127,776)	\$ (506,912)	\$ (1,056,313)	\$ (1,056,313)	\$ (616,733)
18	\$ 124,558	\$ 124,558	\$ 124,558	\$ 124,558	\$ 124,558	\$ 124,558
19	\$ 346,946	\$ 346,946	\$ 346,946	\$ 346,946	\$ 346,946	\$ 346,946
20				\$ 235,685	\$ 240,421	\$ 240,421
21				\$ 223,161	\$ 234,856	\$ 234,856
22					\$ 20,818	\$ 11,784
23					\$ 52,202	\$ 29,548
24					\$ 20,315	\$ 17,048
25	\$ 107,141,663	\$ 100,053,164	\$ 101,848,347	\$ 73,118,361	\$ 59,083,259	\$ 67,593,291
26						
27	\$ 1,146,364	\$ 578,829	\$ 925,700	\$ 1,442,702	\$ 1,088,482	\$ 1,001,416
28	\$ 28,795	\$ 26,237	\$ 25,337	\$ 24,595	\$ 25,337	\$ 24,595
29	\$ 135,643,666	\$ 128,015,074	\$ 130,126,228	\$ 104,503,793	\$ 90,902,563	\$ 99,324,787
30						
31	\$ (264,119)	\$ (240,998)	\$ (250,444)	\$ (223,641)	\$ (67,428)	\$ (187,899)
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42	\$ (545,567)	\$ (519,763)	\$ (523,313)	\$ 98,877	\$ (190,418)	\$ 405,200
43	\$ 135,096,059	\$ 127,486,311	\$ 129,602,915	\$ 104,602,670	\$ 90,712,145	\$ 99,729,987
44						
45						
46	\$ 2,009,803,156	\$ 1,788,128,074	\$ 1,894,703,765	\$ 1,721,725,472	\$ 1,618,576,433	\$ 1,403,009,251
47						
48	\$ 126,298,040	\$ 111,110,995	\$ 118,436,669	\$ 25,245,488	\$ 104,215,281	\$ 90,335,557
49	\$ 8,800,059	\$ 16,384,316	\$ 11,166,246	\$ (5,632,984)	\$ (13,503,136)	\$ 9,394,430
50	\$ 8,800,059	\$ 16,384,316	\$ 11,166,246	\$ (5,632,984)	\$ (13,503,136)	\$ 9,394,430
51						
52						
53	\$ 8,796,895	\$ 16,378,424	\$ 11,162,231	\$ (5,631,004)	\$ (13,498,422)	\$ 9,391,150
54	\$ 8,796,895	\$ 16,378,424	\$ 11,162,231	\$ (5,631,004)	\$ (13,498,422)	\$ 9,391,150
55	\$ (8,796,895)	\$ (16,378,424)	\$ (11,162,231)	\$ 5,631,004	\$ 13,498,422	\$ (9,391,150)
56						
57	\$ 8,796,895	\$ 25,175,319	\$ 36,337,549	\$ 30,706,546	\$ 17,208,123	\$ 26,599,274
58	\$ (8,796,895)	\$ (25,175,319)	\$ (36,337,549)	\$ (30,706,546)	\$ (17,208,123)	\$ (26,599,274)
59						
60	\$ 8,796,895	\$ 25,175,319	\$ 36,337,549	\$ 30,706,546	\$ 17,208,123	\$ 26,599,274
61	\$ (8,796,895)	\$ (25,175,319)	\$ (36,337,549)	\$ (30,706,546)	\$ (17,208,123)	\$ (26,599,274)
62						
63						
64						

FERC Acct.
501
547
49600012, 18,80,81,130
555
447
565
49810005
40700015
407300041
407300051
407300061
51218007, 51318018, 55360053, 55660076
553002864
553002862
Summas- Prepaid Major Maint - Amort
Subtotal Variable Components
Regulatory Assets (Return on RB portion only)
Fixed and Interest Costs on Hedging Facility 42860051, 43100071, 41900031
SUBTOTAL before Adjustments
Adjustments:
32 Prudence from UE-921262
33 Contract price adjustment - discontinued Jan 13, 2007
34 Collstrip availability adjustment
35 New resource pricing adj-Credit Suisse PPA
36 New resource pricing adj-Farm Pwr Rexville
37 New resource pricing adj-Quico
38 Tenaska Disallowance (prior month adj)
39 Tenaska Disallowance (current month adj)
Subtotal Adjustments
Total allowable costs
PCA period delivered load (Kwh)
Baseline Power Cost
11/1/06 - 4/7/10
4/7/10 -
Imbalance for Sharing
positive is potential customer surcharge, negative is potential cust credit
Nov '08 -
Apr '10
Apr '10
0.035961% 0.034910%