

**EXHIBIT NO. JHS-25
DOCKET NOS. UE-090704/UG-090705
2009 PSE GENERAL RATE CASE
WITNESS: JOHN H. STORY**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**Docket No. UE-090704
Docket No. UG-090705**

**ELEVENTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED REBUTTAL TESTIMONY OF
JOHN H. STORY
ON BEHALF OF PUGET SOUND ENERGY, INC.**

DECEMBER 17, 2009

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WUTC v. PSE

Docket Nos. UE-090704 & UG-090705

RESPONSE OF PUBLIC COUNSEL TO PSE

Request No: 012
Directed to: Simon J. ffitch
Date Received: November 19, 2009
Prepared by: James R. Dittmer
Telephone No. (816) 525-5211
Date Prepared: November 30, 2009

PSE Data Request No. 012 to Public Counsel:

Regarding Exhibit No. JRD-2C, page 1, Schedule A-Electric line 24, column (c)

In calculating the elimination of an equity return on Mint Farm ratebase, please explain why the before-tax weighted cost of common equity from Puget Sound Energy, Inc.'s proposed rate of return is being used when the amount from which the equity return is being deducted is reflected at Public Counsel's propose rate of return.

RESPONSE:

Use of PSE's rather than Public Counsel's proposed before-tax cost of equity capital was an unintended mechanical mistake. Use of Public Counsel's before-tax weighted cost of common equity (6.583%) recommendation reduces the value of the adjustment reflected on Schedule A-Electric of Exhibit No.__(JRD-2C) from \$19,475,000 to \$15,377,000. Further, it reduces Public Counsel's recommended revenue excess from the filed amount of \$42,540,000 to \$38,442,000. This correction, and any other identified required corrections, as well as the impact of any Public Counsel positions that may change prior to hearings, will be filed by the start of the formal hearing.