



PUGET SOUND ENERGY

The Energy To Do Great Things

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

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STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

May 12, 2011

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,

for

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 10
Derived from Original PCA Exhibit B
Subject to PCA Sharing
UE-011570

Row		Jan-11	Feb-11	Mar-11
6	Return on Fixed RB	\$ 13,607,032	\$ 13,607,032	\$ 13,607,032
7	Other Fixed Costs	17,098,452	17,098,452	17,098,452
8	Subtotal Fixed Costs	\$ 30,705,485	\$ 30,705,485	\$ 30,705,485
9	Total Variable Component Actual			
10				
11	Steam Oper. Fuel	\$ 6,309,883	\$ 5,929,078	\$ 6,284,947
12	Other Pwr Gen Fuel	13,240,427	8,899,753	4,364,549
13	Other Elec Revenues	9,737,050	12,122,117	10,810,123
14	Purchase Power	72,039,636	67,579,343	64,065,915
15	Sales to Other Util	(2,929,467)	(2,585,373)	(1,373,314)
16	Wheeling	6,857,027	6,994,593	6,648,298
17	Transmission Revenue	(534,282)	(660,938)	(715,901)
18	White River Amortization	124,558	124,558	124,558
19	Goldendale Amortization	346,846	346,846	346,846
20	Mint Farm Amortization	240,421	240,421	240,421
21	Wild Horse Expn Amortization	234,856	234,856	234,856
22	Freddy 1-Prepaid Major Maint-Amort-51218007, 51318019, 55360053, 55460	11,784	11,784	11,784
23	Goldendale-Prepaid Major Maint-Amort 553002864	29,548	29,548	29,548
24	Mint Farm- Prepaid Major Maint - Amort 553002866	65,181	65,181	65,181
25	Sumas- Hot Gas Path Inspection 553008200	30,517	30,517	30,517
26	Subtotal Variable Components	\$ 105,803,985	\$ 99,362,284	\$ 91,168,328
27				
28	Regulatory Assets (Return on RB portion only)	696,936	696,936	696,936
29	Fixed & Interest Cost on Hedging Facility 42866051, 43100071, 41900031	25,337	23,113	25,337
30	SUBTOTAL before Adjustments	\$ 137,231,743	\$ 130,787,818	\$ 122,596,086
31				
32	Adjustments:			
33	Prudence from UE-921262	\$ (238,539)	\$ (209,520)	\$ (222,861)
34	Contract price adjustment - discontinued Jan 13, 2007	-	-	-
35	Colstrip availability adjustment	-	-	-
36	New resource pricing adjustment	-	-	-
37	Tenaska Disallowance (prior month adj)	-	-	-
38	Tenaska Disallowance (current month adj)	-	-	-
39				
40	Subtotal Adjustments	\$ (238,539)	\$ (209,520)	\$ (222,861)
41	Total allowable costs	\$ 136,993,204	\$ 130,578,298	\$ 122,373,225
42				
43				
44	PCA period delivered load (Kwh)	2,182,253,653	1,977,338,863	1,964,761,883
45	Baseline Power Cost			
46	4/7/10 -	\$0.064387		
47				
48	Imbalance for Sharing	\$ (3,515,562)	\$ 3,263,380	\$ (4,131,899)
49	positive is potential customer surcharge, negative is potential cust credit	\$ (3,515,562)	\$ 3,263,380	\$ (4,131,899)
50				
51				
52	Less Firm Wholesale	\$ (3,514,335)	\$ 3,262,241	\$ (4,130,456)
53	Gross PCA	\$ (3,514,335)	\$ 3,262,241	\$ (4,130,456)
54	Gross PCA Contra	\$ 3,514,335	\$ (3,262,241)	\$ 4,130,456
55				
56	Cumulative Gross PCA	\$ (3,514,335)	\$ (252,094)	\$ (4,382,550)
57	Cumulative Gross PCA Contra	\$ 3,514,335	\$ 252,094	\$ 4,382,550
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12	Other Pwr Gen Fuel	13,240,427	8,899,753	4,364,549
13	Other Elec Revenues	9,737,050	12,122,117	10,810,123
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23	Goldendale-Prepaid Major Maint-Amort	29,548	29,548	29,548
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44	PCA period delivered load (Kwh)	2,182,253,653	1,977,338,863	1,964,761,883
45	Baseline Power Cost	\$ 140,508,766	\$ 127,314,917	\$ 126,505,123
46	4/7/10 -			
47				
48	Imbalance for Sharing	\$ (3,515,562)	\$ 3,263,360	\$ (4,131,899)
49	positive is potential customer surcharge, negative is potential cust credit			
50				
51	Apr 8'10			
52	0.034910%			
53	Less Firm Wholesale	\$ (3,514,335)	\$ 3,262,241	\$ (4,130,456)
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	FERC Acct.			
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