

## Puget Sound Energy Power Cost Adjustment Summary

Actual Costs and Disallowance as recorded through the PCA Mechanism

PCA Year (B):	Actuals		Baseline		Difference (A)		Wholesale Customer		Imbalance for Sharing			Company per PCA		Customer per PCA		Total		Interest on Customer		Total Customer per PCA		
	Monthly	Cumulative	Baseline	Cumulative	Monthly	Cumulative	Monthly	Cumulative	Monthly	PCA Period	Cumulative	Monthly (A)	Cumulative (A)	Monthly (A)	Cumulative (A)	Monthly Difference (A)	Cumulative Difference (A)	Monthly (A)	Cumulative (A)	Monthly (A)	Cumulative (A)	
1-8 - Cumulative Amounts		8,321,804,736		8,295,200,928		26,603,809		(20,644)			26,583,163		21,778,789		4,804,374		26,583,163		881,549			5,685,925
9 Jan-10	134,953,506	134,953,506	126,298,040	126,298,040	8,655,466	8,655,466	(3,113)	(3,113)	8,652,354	8,652,354		8,652,354	8,652,354	-	-	8,652,354	8,652,354	13,261	13,261	13,261	13,261	
9 Feb-10	127,311,731	262,265,238	111,110,995	237,409,035	16,200,736	24,856,202	(5,826)	(8,939)	16,194,910	24,847,264		13,771,278	22,423,632	2,423,632	2,423,632	16,194,910	24,847,264	12,194	25,455	2,435,826	2,449,087	
9 Mar-10	128,436,684	391,701,922	118,436,689	355,845,705	11,000,015	35,856,217	(3,956)	(12,884)	10,996,059	35,843,323		5,498,030	27,621,861	5,498,030	7,921,661	10,996,059	35,843,323	20,441	45,896	5,518,470	7,967,558	
9 Apr-10	104,419,583	496,121,505	110,235,654	466,081,359	(5,816,071)	30,040,146	2,045	(10,850)	(5,814,026)	30,029,297		(2,907,013)	25,014,848	(2,907,013)	5,014,648	(5,814,026)	30,029,297	33,735	79,631	(2,873,278)	5,994,280	
9 May-10	90,656,777	586,778,282	104,215,281	570,296,640	(13,558,504)	16,481,642	4,733	(6,116)	(13,553,771)	16,475,526		(8,539,122)	16,475,526	(5,014,648)		(13,553,771)	16,475,526	26,657	106,289	(4,987,992)	106,289	
9 Jun-10	99,678,046	686,456,328	90,335,557	660,632,196	9,342,489	25,824,131	(3,261)	(9,378)	9,339,228	25,814,754		6,431,851	22,907,377	2,907,377	9,339,228	25,814,754	13,092	119,381	2,920,469	3,026,757		
9 Jul-10	93,519,761	779,976,088	101,296,002	761,928,199	(7,776,242)	18,047,890	2,715	(6,663)	(7,773,527)	18,041,227		(4,866,150)	18,041,227	(2,907,377)		(7,773,527)	18,041,227	21,028	140,408	(2,885,349)	140,408	
9 Aug-10	97,662,228	877,638,316	101,910,768	863,838,966	(4,248,540)	13,789,350	1,483	(5,180)	(4,247,057)	13,794,170		-	13,794,170	-	(4,247,057)	13,794,170	13,261	153,670	-	153,670		
9 Sep-10	105,254,061	982,892,377	97,163,879	961,002,845	8,090,182	21,889,532	(2,824)	(8,004)	8,087,358	21,881,528		7,146,594	20,940,764	940,764	940,764	8,087,358	21,881,528	12,917	166,587	853,681	1,107,351	
9 Oct-10	113,891,199	1,096,783,576	108,947,212	1,069,950,057	4,943,987	26,833,518	(1,726)	(9,730)	4,942,261	26,823,788		2,471,130	23,411,894	2,471,130	3,411,894	4,942,261	26,823,788	16,078	182,665	2,487,209	3,594,559	
9 Nov-10	127,729,035	1,224,512,611	127,209,681	1,197,159,738	519,354	27,352,873	(181)	(9,911)	519,173	27,342,961		259,587	23,671,481	259,587	3,671,481	519,173	27,342,961	21,971	204,636	281,557	3,876,117	
9 Dec-10	148,516,485	1,373,029,096	139,692,838	1,336,852,576	8,823,647	36,176,520	(3,080)	(12,992)	8,820,567	36,163,528		4,410,283	26,081,764	4,410,283	6,081,764	8,820,567	36,163,528	23,788	228,424	4,434,072	8,310,188	
10 Jan-11	136,860,617	136,860,617	140,508,766	140,508,766	(3,648,149)	(3,648,149)	1,274	1,274	(3,646,876)	(3,646,876)		(3,646,876)	(3,646,876)	-	-	(3,646,876)	(3,646,876)	35,569	35,569	35,569	35,569	
10 Feb-11	130,443,864	267,304,480	127,314,617	237,823,683	3,128,863	(5,519,203)	(1,092)	1,81	3,127,854	(5,519,202)		3,127,854	(5,519,202)	-	-	3,127,854	(5,519,202)	32,127	67,696	32,127	67,696	
10 Mar-11	122,241,272	389,545,752	126,505,123	394,328,807	(4,263,852)	(4,783,054)	1,489	1,670	(4,262,363)	(4,781,385)		-	-	-	-	(4,262,363)	(4,781,385)	35,569	103,266	35,569	103,266	
10 Apr-11	104,683,648	494,228,400	116,015,164	510,343,971	(11,331,517)	(16,114,571)	3,958	5,626	(11,327,561)	(16,108,946)		(11,327,561)	(16,108,946)			(11,327,561)	(16,108,946)	34,422	137,688	34,422	137,688	
10 May-11	89,900,087	584,128,487	105,909,373	616,253,344	(16,009,286)	(32,123,587)	5,589	11,214	(16,003,897)	(32,112,643)		(6,056,322)	(6,056,322)	(6,056,322)	(6,056,322)	(16,003,897)	(32,112,643)	35,030	172,718	(6,021,291)	(5,883,604)	
10 Jun-11	99,731,063	683,860,549	96,350,616	712,604,180	3,380,245	(28,743,611)	(1,180)	10,034	3,379,066	(28,733,577)		1,889,533	(24,368,788)	1,889,533	3,379,066	(28,733,577)	18,394	191,112	1,707,328	(4,175,676)		
10 Jul-11	88,229,728	772,090,277	98,167,272	810,771,432	(9,937,544)	(38,681,155)	3,469	13,504	(9,934,075)	(38,687,652)		(4,967,038)	(29,333,828)	(4,967,038)	(9,934,075)	(38,687,652)	23,073	214,185	(4,943,864)	(9,119,640)		
10 Aug-11	89,101,047	861,191,324	96,828,232	907,599,665	(7,727,186)	(46,408,341)	2,698	16,201	(7,724,488)	(46,392,140)		(1,305,388)	(30,639,214)	(6,419,100)	(15,752,926)	(7,724,488)	(46,392,140)	9,234	223,419	(6,409,866)	(15,529,506)	
10 Sep-11	101,359,870	962,551,194	98,417,999	1,006,017,664	2,941,870	(43,466,471)	(1,027)	15,174	2,940,943	(43,451,295)		294,084	(30,345,130)	2,646,759	(13,106,167)	2,940,843	(43,451,296)	(7,122)	215,897	2,639,337	(12,890,170)	
10 Oct-11	112,528,516	1,075,079,709	108,689,089	1,114,706,753	3,839,427	(39,627,044)	(1,340)	13,834	3,838,087	(39,613,210)		538,525	(29,806,605)	3,299,562	(9,806,605)	3,838,087	(39,613,210)	(314)	215,694	3,299,246	(9,590,921)	
10 Nov-11	130,621,833	1,205,701,542	128,294,166	1,243,000,918	2,327,667	(37,299,376)	(813)	13,021	2,326,655	(37,286,355)		1,163,427	(28,643,178)	1,163,427	(6,643,178)	2,326,655	(37,286,355)	8,330	224,013	1,171,757	(8,419,164)	
10 Dec-11	145,985,985	1,351,687,527	143,506,598	1,385,507,507	2,459,396	(34,839,980)	(859)	12,163	2,458,538	(34,827,818)		1,229,289	(27,413,909)	1,229,289	(7,413,909)	2,458,538	(34,827,818)	11,821	235,834	1,241,090	(7,178,074)	
												\$ 22,446,644		\$ 4,472,230				\$ 1,345,807			\$ 6,815,038	

**Notes:**

(A) A credit balance represents an overrecovery of power costs (baseline rate was greater than actual rate). A debit balance represents an underrecovery of power costs (actual rate was greater than baseline rate). The difference excludes any adjustments for Firm Wholesale Customers.

(B) The PCA mechanism was a June through July fiscal period from July 2002 through June 2006 with a cumulative cap on excess power costs of \$40 million. The Washington Commission changed the PCA mechanism period to a calendar year basis without a cumulative cap starting January 2007.

(C) The June 2010 PCA calculation does not include a \$17.8 million loss that PSE recorded per the Washington Commission's order in Docket No. UE-070725 to adjust the carrying value of PSE's California wholesale energy sales regulatory asset as the sales occurred in 2000, prior to the establishment of the PCA mechanism. Exclusion of this charge from the calculation of the imbalance for sharing is pursuant to the Methodology for Adjustments of Costs Outside of the PCA Period ("PCA true-up methodology").

NOTE: In March 2011 PSE and BPA reached an agreement in which BPA would pay PSE \$2,110,264 for 58,880 MWh that PSE had purchased from Klickitat County PUD for Goldendale station service from March 2009 through February 11, 2011 but which was never delivered by BPA due to a metering problem. PSE recorded the amount as a credit to 547 orders in March 2011. However, following the PCA methodology for true-ups greater than \$1 million, the credits related to the 2009 and 2010 amounts were not included in the calculation of the imbalance for sharing in March 2011. Instead the FERC 447 amounts for PCA periods 8 and 9 were restated to include the reductions for the settlement credits related to each PCA period. As a result the previously reported customer deferral decreased by \$1,029,615, net of the wholesale adjustment. The amount of the reduction in the customer deferral was calculated in accordance with the sharing band level PSE was in at each time period. The revision of the PCA periods also resulted in a \$26,437 decrease in PCA interest on the customer deferral balance.

NOTE: In September 2011 PSE received a \$6,909,103 tax refund from Canada related to GST and HST paid on gas transportation costs. The majority of the refund was for core gas but \$1,646,181 was for taxes paid on gas transportation costs for the combustion turbines from April 2008 - March 2011. PSE recorded that amount as a credit to 547 orders in September 2011 but following the PCA methodology for true-ups greater than \$1 million, the credits related to the 2008 - 2011 amounts were not included in the calculation of the imbalance for sharing in September 2011. Instead the 547 amounts for PCA periods 7 - 10 were restated to include the reductions for the refund related to each PCA period. As a result, the previously reported customer deferral decreased by \$922,058 net of the wholesale adjustment. The amount of the customer deferral was calculated in accordance with the sharing band level PSE was in at each time period. The revision of the PCA periods also resulted in a \$21,832 decrease in PCA interest on the customer deferral balance.

**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	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
6													
7	Return on Fixed RB	\$ 13,607,032	\$ 13,607,032	\$ 13,607,032	\$ 13,607,032	\$ 13,607,032	\$ 13,607,032	\$ 13,607,032	\$ 13,607,032	\$ 13,607,032	\$ 13,607,032	\$ 13,607,032	\$ 13,607,032
8	Other Fixed Costs	17,098,452	17,098,452	17,098,452	17,098,452	17,098,452	17,098,452	17,098,452	17,098,452	17,098,452	17,098,452	17,098,452	17,098,452
9	Subtotal Fixed Costs	\$ 30,705,485	\$ 30,705,485	\$ 30,705,485	\$ 30,705,485	\$ 30,705,485	\$ 30,705,485	\$ 30,705,485	\$ 30,705,485	\$ 30,705,485	\$ 30,705,485	\$ 30,705,485	\$ 30,705,485
10	Total Variable Component Actual												
11	FERC Acct.												
12	Steam Oper. Fuel	501	501	501	501	501	501	501	501	501	501	501	501
13	Other Pwr Gen Fuel	547	547	547	547	547	547	547	547	547	547	547	547
14	Other Elec Revenues	4560012, 18,80,81,130	4560012, 18,80,81,130	4560012, 18,80,81,130	4560012, 18,80,81,130	4560012, 18,80,81,130	4560012, 18,80,81,130	4560012, 18,80,81,130	4560012, 18,80,81,130	4560012, 18,80,81,130	4560012, 18,80,81,130	4560012, 18,80,81,130	4560012, 18,80,81,130
15	Purchase Power	555	555	555	555	555	555	555	555	555	555	555	555
16	Sales to Other Util	447	447	447	447	447	447	447	447	447	447	447	447
17	Whaealing	565	565	565	565	565	565	565	565	565	565	565	565
18	Transmission Revenue	45810005	45810005	45810005	45810005	45810005	45810005	45810005	45810005	45810005	45810005	45810005	45810005
19	White River Amortization	40700015	40700015	40700015	40700015	40700015	40700015	40700015	40700015	40700015	40700015	40700015	40700015
20	Goldendale Amortization	40730041	40730041	40730041	40730041	40730041	40730041	40730041	40730041	40730041	40730041	40730041	40730041
21	Mint Farm Amortization	40730051	40730051	40730051	40730051	40730051	40730051	40730051	40730051	40730051	40730051	40730051	40730051
22	Wild Horse Exon Amortization	40730061	40730061	40730061	40730061	40730061	40730061	40730061	40730061	40730061	40730061	40730061	40730061
23	Freddy 1-Prepaid Major Maint-Amort-51218007, 51318019, 55360053, 5546007	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784	11,784
24	Goldendale-Prepaid Major Maint-Amort 553002864	29,548	29,548	29,548	29,548	29,548	29,548	29,548	29,548	29,548	29,548	29,548	29,548
25	Mnt Farm- Prepaid Major Maint - Amort 553002866	65,181	65,181	65,181	65,181	65,181	65,181	65,181	65,181	65,181	65,181	65,181	65,181
26	Sumas- Hot Gas Path Inspection 553008200	30,517	30,517	30,517	30,517	30,517	30,517	30,517	30,517	30,517	30,517	30,517	30,517
27	Goldendale-Hot Gas Path - Amort 553011340	-	-	-	-	-	-	64,201	64,201	64,201	64,201	64,201	64,201
28	Subtotal Variable Components	\$ 105,671,398	\$ 99,227,850	\$ 91,036,375	\$ 73,466,858	\$ 58,551,282	\$ 68,502,791	\$ 57,014,473	\$ 57,877,285	\$ 70,151,304	\$ 81,322,367	\$ 98,316,655	\$ 113,712,657
29	Regulatory Assets (Return on RB portion only)	696,936	696,936	696,936	696,936	696,936	696,936	696,936	696,936	711,734	702,865	702,865	1,804,880
30	Fixed & Interest Cost on Hedging Facility 42806051, 43100071, 41900031	25,337	23,113	25,337	24,595	25,337	24,595	25,337	25,337	25,337	24,595	25,337	24,595
31	<b>SUBTOTAL before Adjustments</b>	\$ 137,099,156	\$ 130,653,384	\$ 122,464,133	\$ 104,893,874	\$ 89,979,020	\$ 99,929,807	\$ 88,442,231	\$ 89,319,841	\$ 101,584,249	\$ 112,756,054	\$ 130,851,615	\$ 146,201,488
32													
33	<b>Adjustments:</b>												
34	Prudence from UE-921262	\$ (238,539)	\$ (209,520)	\$ (222,861)	\$ (210,226)	\$ (78,933)	\$ (198,744)	\$ (212,503)	\$ (218,794)	\$ (224,379)	\$ (227,538)	\$ (229,782)	\$ (235,503)
35	Contract price adjustment - discontinued Jan 13, 2007	-	-	-	-	-	-	-	-	-	-	-	-
36	Colstrip availability adjustment	-	-	-	-	-	-	-	-	-	-	-	-
37	New resource pricing adjustment	-	-	-	-	-	-	-	-	-	-	-	-
38	Tenaska Disallowance (prior month adj)	-	-	-	-	-	-	-	-	-	-	-	-
39	Tenaska Disallowance (current month adj)	-	-	-	-	-	-	-	-	-	-	-	-
40													
41	Subtotal Adjustments	\$ (238,539)	\$ (209,520)	\$ (222,861)	\$ (210,226)	\$ (78,933)	\$ (198,744)	\$ (212,503)	\$ (218,794)	\$ (224,379)	\$ (227,538)	\$ (229,782)	\$ (235,503)
42	<b>Total allowable costs</b>	\$ 136,860,617	\$ 130,443,864	\$ 122,241,272	\$ 104,683,648	\$ 89,900,087	\$ 99,731,063	\$ 88,229,728	\$ 89,101,047	\$ 101,359,870	\$ 112,528,516	\$ 130,621,833	\$ 145,965,985
43													
44													
45	PCA period delivered load (Kwh)	2,182,253,653	1,877,338,863	1,964,761,883	1,798,322,267	1,641,674,903	1,493,510,087	1,521,666,517	1,500,910,396	1,525,552,981	1,684,762,586	1,988,656,016	2,224,460,008
46	<b>Baseline Power Cost</b>												
47	4/7/10 - 3/31/11	\$0,064387	\$0,064387	\$0,064387	\$0,064387	\$0,064387	\$0,064387	\$0,064387	\$0,064387	\$0,064387	\$0,064387	\$0,064387	\$0,064387
48	4/1/11 - 3/31/11	\$0,064513	\$0,064513	\$0,064513	\$0,064513	\$0,064513	\$0,064513	\$0,064513	\$0,064513	\$0,064513	\$0,064513	\$0,064513	\$0,064513
49	Imbalance for Sharing	\$ (3,648,149)	\$ 3,128,946	\$ (4,263,852)	\$ (11,331,517)	\$ (16,009,286)	\$ 3,380,246	\$ (9,937,544)	\$ (7,727,186)	\$ 2,941,870	\$ 3,838,427	\$ 2,327,697	\$ 2,459,396
50	positive is potential customer surcharge, negative is potential cust credit	\$ (3,648,149)	\$ 3,128,946	\$ (4,263,852)	\$ (11,331,517)	\$ (16,009,286)	\$ 3,380,246	\$ (9,937,544)	\$ (7,727,186)	\$ 2,941,870	\$ 3,838,427	\$ 2,327,697	\$ 2,459,396
51													
52	Apr 8'10												
53	Less Firm Wholesale 0.034910%	\$ (3,646,876)	\$ 3,127,854	\$ (4,262,363)	\$ (11,327,561)	\$ (16,003,697)	\$ 3,379,066	\$ (9,934,075)	\$ (7,724,488)	\$ 2,940,843	\$ 3,838,087	\$ 2,326,855	\$ 2,458,538
54	Gross PCA	\$ (3,646,876)	\$ 3,127,854	\$ (4,262,363)	\$ (11,327,561)	\$ (16,003,697)	\$ 3,379,066	\$ (9,934,075)	\$ (7,724,488)	\$ 2,940,843	\$ 3,838,087	\$ 2,326,855	\$ 2,458,538
55	Gross PCA Contra	\$ 3,646,876	\$ (3,127,854)	\$ 4,262,363	\$ 11,327,561	\$ 16,003,697	\$ (3,379,066)	\$ 9,934,075	\$ 7,724,488	\$ (2,940,843)	\$ (3,838,087)	\$ (2,326,855)	\$ (2,458,538)
56	Cumulative Gross PCA	\$ (3,646,876)	\$ (519,022)	\$ (4,781,385)	\$ (16,108,946)	\$ (32,112,643)	\$ (28,733,577)	\$ (38,667,652)	\$ (46,392,140)	\$ (43,451,296)	\$ (39,613,210)	\$ (37,286,355)	\$ (34,827,818)
57	Cumulative Gross PCA Contra	\$ 3,646,876	\$ 519,022	\$ 4,781,385	\$ 16,108,946	\$ 32,112,643	\$ 28,733,577	\$ 38,667,652	\$ 46,392,140	\$ 43,451,296	\$ 39,613,210	\$ 37,286,355	\$ 34,827,818
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59													
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(a) In Sep11 PSE received a \$1,646,181 refund from Canada of taxes paid on non-core gas pipeline transportation costs from Apr08 - Mar11. The refund was booked to 547 orders but as the amount was over \$1 million prior PCA periods were adjusted.

63 Note: This schedule was derived from original PCA collaborative exhibit B

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Actual Costs and Disallowance as recorded through the PCA Mechanism																					
PCA Year (B)	Actuals		Baseline		Difference (A)		Wholesale Customer		Imbalance for Sharing			Company per PCA		Customer per PCA		Total		Interest on Customer		Total Customer per PCA	
	Monthly	Cumulative	Baseline	Cumulative	Monthly	Cumulative	Monthly	Cumulative	Monthly	PCA Period	Cumulative	Monthly (A)	Cumulative (A)	Monthly (A)	Cumulative (A)	Monthly Difference (A)	Cumulative (A)	Monthly (A)	Cumulative (A)	Monthly (A)	Cumulative (A)
1-8 - Cumulative Amounts	8,321,804,736		8,295,200,928		26,603,809		(20,844)		26,583,163			21,778,789		4,804,374		26,583,163		881,549		5,685,925	
PCA Year (B)	Actuals		Baseline		Difference (A)		Wholesale Customer		Imbalance for Sharing			Company per PCA		Customer per PCA		Total		Interest on Customer		Total Customer per PCA	
	Monthly	PCA Period	Baseline	PCA Period	Monthly Difference	PCA Period	Monthly	PCA Period	Monthly	PCA Period	Cumulative	Monthly	PCA Period	Monthly	PCA Period	Monthly Difference	PCA Period	Monthly	PCA Period	Monthly	PCA Period
9 Jan-10	134,953,506	134,953,506	126,298,040	126,298,040	8,655,466	8,655,466	(3,113)	(3,113)	8,652,354	8,652,354	8,652,354	8,652,354	-	-	8,652,354	8,652,354	13,261	13,261	13,261	13,261	
9 Feb-10	127,311,731	262,265,238	111,110,995	237,409,035	16,200,736	24,556,202	(5,826)	(8,939)	16,194,910	24,847,264	13,771,278	22,423,632	2,423,632	2,423,632	16,194,910	24,847,264	12,194	25,465	2,435,826	2,449,087	
9 Mar-10	129,436,884	391,701,922	118,436,669	355,845,705	11,000,015	35,856,217	(3,956)	(12,894)	10,996,059	35,843,323	5,498,030	27,921,661	5,498,030	7,921,661	10,996,059	35,843,323	20,441	45,896	5,518,470	7,967,558	
9 Apr-10	104,419,583	496,121,505	110,235,654	466,081,359	(5,816,071)	30,040,146	2,045	(10,850)	(5,814,026)	30,029,287	(2,907,013)	25,014,648	(2,907,013)	5,014,648	(5,814,026)	30,029,287	33,735	79,531	(2,873,278)	5,084,280	
9 May-10	90,656,777	586,778,282	104,215,281	570,296,640	(13,558,504)	16,481,642	4,733	(6,116)	(13,553,771)	16,475,526	(8,539,122)	16,475,526	(5,014,648)	-	(13,553,771)	16,475,526	26,857	106,298	(4,987,992)	5,084,280	
9 Jun-10 (C)	96,678,046	686,456,328	101,298,002	670,198,199	(7,776,242)	18,047,890	2,716	(6,663)	(7,773,527)	18,041,227	(4,866,150)	18,041,227	(2,907,377)	-	(7,773,527)	18,041,227	21,028	140,408	(2,986,349)	140,408	
9 Jul-10	93,519,781	779,976,068	101,916,788	771,913,956	(8,060,280)	17,832,108	1,483	(5,180)	(8,057,097)	17,826,925	(4,247,057)	17,784,170	-	-	(4,247,057)	17,784,170	13,261	153,670	-	153,670	
9 Aug-10	97,662,228	877,638,316	108,947,212	880,866,168	(8,284,844)	16,671,648	(2,624)	(8,004)	(8,281,628)	16,663,624	(4,866,150)	16,663,624	(2,907,377)	-	(4,866,150)	16,663,624	12,917	166,587	953,681	1,107,351	
9 Sep-10	105,254,061	982,892,377	97,163,879	979,030,047	(8,728,330)	13,791,754	(1,728)	(9,730)	(8,726,602)	13,789,926	(4,866,150)	13,789,926	(2,907,377)	-	(4,866,150)	13,789,926	16,078	182,665	2,487,209	3,584,559	
9 Oct-10	113,891,199	1,096,783,576	108,947,212	1,089,980,057	(8,284,844)	16,671,648	(2,624)	(8,004)	(8,281,628)	16,663,624	(4,866,150)	16,663,624	(2,907,377)	-	(4,866,150)	16,663,624	21,971	204,636	281,557	3,876,117	
9 Nov-10	127,729,035	1,224,512,611	127,209,681	1,197,159,738	(4,512,884)	15,511,860	(1,811)	(9,911)	(4,507,973)	15,506,949	(4,866,150)	15,506,949	(2,907,377)	-	(4,866,150)	15,506,949	23,788	228,424	4,434,072	8,376,117	
9 Dec-10	148,516,485	1,373,029,096	139,692,638	1,336,852,576	(8,826,457)	16,176,520	(3,080)	(12,992)	(8,823,477)	16,163,528	(4,866,150)	16,163,528	(2,907,377)	-	(4,866,150)	16,163,528	21,971	204,636	281,557	3,876,117	
10 Jan-11	136,860,617	136,860,617	140,508,766	140,508,766	(3,648,149)	(3,648,149)	1,274	1,274	(3,646,876)	(3,646,876)	(3,646,876)	(3,646,876)	-	-	(3,646,876)	(3,646,876)	35,569	35,569	35,569	35,569	
10 Feb-11	130,443,864	267,304,480	127,314,917	267,823,683	3,128,946	(519,203)	(1,092)	181	3,127,854	(519,202)	3,127,854	(519,202)	-	-	3,127,854	(519,202)	32,127	67,696	32,127	67,696	
10 Mar-11	122,241,272	389,545,752	126,505,123	394,328,807	(4,263,852)	(4,783,054)	1,489	1,870	(4,262,363)	(4,781,385)	(4,262,363)	(4,781,385)	-	-	(4,262,363)	(4,781,385)	35,569	103,266	35,569	103,266	
10 Apr-11	104,683,648	494,229,400	116,016,164	510,343,971	(11,331,517)	(16,114,571)	3,956	5,626	(11,327,561)	(16,108,948)	(11,327,561)	(16,108,948)	-	-	(11,327,561)	(16,108,948)	34,422	137,688	34,422	137,688	
10 May-11	89,900,087	584,129,487	105,909,373	616,253,344	(16,009,286)	(32,123,857)	5,589	11,214	(16,003,697)	(32,112,643)	(9,947,376)	(26,056,322)	(6,056,322)	(6,056,322)	(16,003,697)	(32,112,643)	35,030	172,718	(6,021,291)	(5,883,604)	
10 Jun-11	99,731,083	683,860,549	96,350,816	712,604,160	3,380,246	(28,743,811)	(1,180)	10,034	3,379,066	(28,733,577)	1,689,533	(24,366,788)	1,689,533	(4,366,788)	3,379,066	(28,733,577)	18,394	191,112	1,737,928	(4,175,676)	
10 Jul-11	88,229,728	772,090,277	96,167,272	810,771,432	(9,937,544)	(39,681,155)	3,469	13,504	(9,934,075)	(38,687,652)	(4,967,038)	(29,333,826)	(4,967,038)	(9,333,826)	(9,934,075)	(38,687,652)	23,073	214,185	(4,943,964)	(9,119,640)	
10 Aug-11	89,101,047	861,191,324	96,828,232	907,599,665	(7,727,199)	(46,408,341)	2,698	16,201	(7,724,488)	(46,392,140)	(1,305,388)	(30,639,214)	(6,419,100)	(15,752,926)	(7,724,488)	(46,392,140)	9,234	223,419	(6,409,866)	(15,529,506)	
10 Sep-11	101,359,870	962,551,194	98,417,989	1,006,017,664	(2,941,870)	(43,466,471)	(1,340)	13,834	(2,938,037)	(43,452,637)	538,525	(29,806,605)	3,299,562	(9,806,605)	(2,938,037)	(43,452,637)	(3,141)	215,984	3,299,248	(8,590,921)	
10 Oct-11	112,528,516	1,075,079,709	108,689,089	1,114,708,753	3,839,427	(39,627,044)	(813)	13,021	3,838,614	(39,614,031)	1,163,427	(28,643,178)	1,163,427	(8,643,178)	3,839,427	(39,614,031)	8,330	224,013	1,171,757	(8,419,164)	
10 Nov-11	130,621,833	1,205,701,542	128,294,166	1,243,000,918	2,327,667	(37,299,376)	(859)	12,163	2,326,808	(37,287,117)	1,229,269	(27,413,909)	1,229,269	(7,413,909)	2,327,667	(37,287,117)	11,821	235,834	3,427,072	(7,178,074)	
10 Dec-11	145,966,985	1,351,668,527	143,508,588	1,386,507,507	2,459,396	(34,839,980)	(859)	12,163	2,458,538	(34,827,818)	1,229,269	(27,413,909)	1,229,269	(7,413,909)	2,459,396	(34,827,818)	11,821	235,834	3,427,072	(7,178,074)	
											<u>\$ 22,446,644</u>				<u>\$ 5,472,230</u>				<u>\$ 1,345,807</u>	<u>\$ 6,818,038</u>	

**Notes:**

(A) A credit balance represents an overrecovery of power costs (baseline rate was greater than actual rate). A debit balance represents an underrecovery of power costs (actual rate was greater than baseline rate). The difference excludes any adjustments for Firm Wholesale Customers.

(B) The PCA mechanism was a June through July fiscal period from July 2002 through June 2006 with a cumulative cap on excess power costs of \$40 million. The Washington Commission changed the PCA mechanism period to a calendar year basis without a cumulative cap starting January 2007.

(C) The June 2010 PCA calculation does not include a \$17.8 million loss that PSE recorded per the Washington Commission's order in Docket No. UE-070725 to adjust the carrying value of PSE's California wholesale energy sales regulatory asset as the sales occurred in 2000, prior to the establishment of the PCA mechanism. Exclusion of this charge from the calculation of the imbalance for sharing is pursuant to the Methodology for Adjustments of Costs Outside of the PCA Period ("PCA true-up methodology").

NOTE: In March 2011 PSE and BPA reached an agreement in which BPA would pay PSE \$2,110,264 for 58,880 MWh that PSE had purchased from Klickitat County PUD for Goldendale station service from March 2009 through February 11, 2011 but which was never delivered by BPA due to a metering problem. PSE recorded the amount as a credit to a 447 order in March 2011. However, following the PCA methodology for true-ups greater than \$1 million, the credits related to the 2009 and 2010 amounts were not included in the calculation of the imbalance for sharing in March 2011. Instead the FERC 447 amounts for PCA periods 9 and 9 were restated to include the reductions for the settlement credits related to each PCA period. As a result the previously reported customer deferral decreased by \$1,029,615, net of the wholesale adjustment. The amount of the reduction in the customer deferral was calculated in accordance with the sharing band level PSE was in at each time period. The revision of the PCA periods also resulted in a \$25,437 decrease in PCA interest on the customer deferral balance.

NOTE: In September 2011 PSE received a \$6,909,103 tax refund from Canada related to GST and HST paid on gas transportation costs. The majority of the refund was for core gas but \$1,646,161 was for taxes paid on gas transportation costs for the combustion turbines from April 2008 - March 2011. PSE recorded that amount as a credit to 547 orders in September 2011 but following the PCA methodology for true-ups greater than \$1 million, the credits related to the 2008 - 2011 amounts were not included in the calculation of the imbalance for sharing in September 2011. Instead the 547 amounts for PCA periods 7 - 10 were restated to include the reductions for the refund related to each PCA period. As a result, the previously reported customer deferral decreased by \$922,058 net of the wholesale adjustment. The amount of the customer deferral was calculated in accordance with the sharing band level PSE was in at each time period. The revision of the PCA periods also resulted in a \$21,832 decrease in PCA interest on the customer deferral balance.



## Puget Sound Energy Power Cost Adjustment Summary

Actual Costs and Disallowance as recorded through the PCA Mechanism																					
PCA Year (B)	Actuals		Baseline		Difference (A)		Wholesale Customer		Imbalance for Sharing			Company per PCA		Customer per PCA		Total		Interest on Customer		Total Customer per PCA	
	Monthly	Cumulative	Baseline	Cumulative	Monthly	Cumulative	Monthly	Cumulative	Monthly	PCA Period	Cumulative	Monthly (A)	Cumulative (A)	Monthly (A)	Cumulative (A)	Monthly Difference (A)	Cumulative Difference (A)	Monthly (A)	Cumulative (A)	Monthly (A)	Cumulative (A)
1-8 - Cumulative Amounts	8,321,804,736		8,285,200,928		26,603,809		(20,844)		26,583,163			21,778,789		4,804,374		26,583,163		881,549		5,685,925	
	Actuals		Baseline		Difference (A)		Wholesale Customer		Imbalance for Sharing			Company per PCA		Customer per PCA		Total		Interest on Customer		Total Customer per PCA	
	Monthly	PCA Period	Baseline	PCA Period	Monthly Difference	PCA Period	Monthly	PCA Period	Monthly	PCA Period	Cumulative	Monthly	PCA Period	Monthly	PCA Period	Monthly Difference	PCA Period	Monthly	PCA Period	Monthly	PCA Period
9 Jan-10	134,953,506	134,953,506	126,298,040	126,298,040	8,655,466	8,655,466	(3,113)	(3,113)	8,652,354	8,652,354	-	8,652,354	8,652,354	-	-	8,652,354	8,652,354	13,261	13,261	13,261	13,261
9 Feb-10	127,311,731	262,265,238	111,110,995	237,409,035	16,200,736	24,856,202	(8,939)	(8,939)	16,184,910	24,847,264	-	13,771,278	22,423,632	2,423,632	2,423,632	16,184,910	24,847,264	12,194	25,455	2,435,826	2,449,087
9 Mar-10	129,436,684	391,701,922	118,436,669	355,845,705	11,000,015	35,856,217	(3,956)	(12,894)	10,996,059	35,843,323	-	5,498,030	27,921,661	5,498,030	7,921,661	10,996,059	35,843,323	20,441	45,896	5,518,470	7,967,558
9 Apr-10	104,419,583	496,121,505	110,235,654	466,081,359	(5,816,071)	30,040,146	2,045	(10,850)	(5,814,026)	30,028,297	-	(2,907,013)	25,014,648	(2,907,013)	5,014,648	(5,814,026)	30,028,297	26,857	106,288	(4,987,992)	5,084,280
9 May-10	90,656,777	586,778,282	104,215,281	570,296,640	(13,558,504)	16,481,642	4,733	(8,116)	(13,553,771)	16,475,526	-	(8,538,122)	16,475,526	(5,014,648)	-	(13,553,771)	16,475,526	13,092	9,339,228	25,814,754	13,092
9 Jun-10 (C)	99,679,046	686,456,328	90,335,557	660,632,196	9,342,469	25,824,131	(3,261)	(9,378)	9,339,228	25,814,754	-	6,431,851	22,907,377	2,907,377	2,907,377	9,342,469	25,814,754	13,092	106,288	(4,987,992)	106,288
9 Jul-10	93,519,761	779,976,089	101,296,002	761,928,199	(7,776,242)	18,047,890	2,715	(6,663)	(7,773,527)	18,041,227	-	(4,866,150)	18,041,227	(2,907,377)	-	(7,773,527)	18,041,227	21,028	140,408	(2,886,349)	140,408
9 Aug-10	97,662,228	877,638,316	101,910,798	863,838,866	(4,248,540)	13,799,350	1,483	(5,180)	(4,247,057)	13,794,170	-	(4,247,057)	13,794,170	-	(4,247,057)	13,794,170	13,261	153,670	153,670	153,670	
9 Sep-10	105,254,061	982,892,377	97,163,879	961,002,845	8,090,192	21,895,532	(2,624)	(8,004)	8,087,358	21,881,528	-	7,146,584	20,940,764	940,764	940,764	8,087,358	21,881,528	12,917	166,587	953,681	1,107,351
9 Oct-10	113,891,199	1,096,783,576	108,947,212	1,069,850,057	4,843,967	26,833,518	(1,726)	(9,730)	4,942,261	26,823,788	-	2,471,130	23,411,894	2,471,130	3,411,894	4,942,261	26,823,788	16,078	182,665	2,487,209	3,594,559
9 Nov-10	127,729,035	1,224,512,611	127,208,681	1,197,159,738	519,354	27,352,873	(8,911)	(9,911)	519,173	27,342,961	-	258,587	23,671,481	258,587	3,671,481	519,173	27,342,961	21,971	204,636	281,557	3,876,117
9 Dec-10	148,516,485	1,373,029,096	139,692,838	1,336,852,576	8,823,647	36,176,520	(3,090)	(12,992)	8,820,597	36,163,528	-	4,410,283	28,081,764	4,410,283	8,081,764	8,820,597	36,163,528	23,788	228,424	4,434,072	3,876,117
10 Jan-11	136,860,617	136,860,617	140,508,766	140,508,766	(3,648,149)	(3,648,149)	1,274	1,274	(3,648,876)	(3,648,876)	-	(3,648,876)	(3,648,876)	-	-	(3,648,876)	(3,648,876)	35,569	35,569	35,569	35,569
10 Feb-11	130,443,864	267,304,480	127,314,917	267,823,693	3,128,946	(519,203)	1,871	1,871	3,127,854	(519,202)	-	3,127,854	(519,202)	-	-	3,127,854	(519,202)	32,127	67,699	32,127	67,699
10 Mar-11	122,241,272	389,545,752	126,505,123	394,328,807	(4,263,852)	(4,783,054)	1,489	1,670	(4,262,363)	(4,781,385)	-	(4,262,363)	(4,781,385)	-	-	(4,262,363)	(4,781,385)	35,569	103,266	35,569	103,266
10 Apr-11	104,683,648	494,229,400	116,015,164	510,343,971	(11,331,517)	(16,114,571)	3,956	5,525	(11,327,561)	(16,108,946)	-	(11,327,561)	(16,108,946)	-	-	(11,327,561)	(16,108,946)	34,422	137,688	34,422	137,688
10 May-11	99,900,087	584,129,487	105,909,373	616,253,344	(16,009,286)	(32,123,857)	5,569	11,214	(16,003,697)	(32,112,643)	-	(9,947,376)	(26,056,322)	(6,056,322)	(6,056,322)	(11,327,561)	(16,108,946)	34,422	137,688	34,422	137,688
10 Jun-11	99,731,063	683,860,549	96,350,816	712,604,160	3,380,246	(28,743,611)	(1,180)	10,504	3,379,056	(28,733,577)	-	1,689,533	(24,366,788)	1,689,533	(4,366,788)	(16,003,697)	(32,112,643)	35,030	172,718	(6,021,291)	(5,883,604)
10 Jul-11	98,229,728	772,090,277	98,167,272	810,771,432	(9,937,544)	(38,681,155)	3,469	13,504	(9,934,075)	(38,667,652)	-	(4,967,038)	(28,333,826)	(4,967,038)	(9,333,826)	(9,934,075)	(38,667,652)	23,073	214,185	(4,943,964)	(9,119,640)
10 Aug-11	101,359,870	863,450,147	96,829,232	907,599,665	(7,727,186)	(46,408,341)	2,698	16,201	(7,724,488)	(46,392,140)	-	(1,305,388)	(30,639,214)	(6,419,100)	(15,752,926)	(7,724,488)	(46,392,140)	9,234	223,419	(6,409,866)	(15,529,506)
10 Sep-11	101,359,870	962,551,194	98,417,999	1,006,017,664	2,941,870	(43,466,471)	(1,027)	15,174	2,940,843	(43,451,296)	-	294,084	(30,345,130)	2,646,759	(13,106,167)	2,940,843	(43,451,296)	(7,422)	215,997	2,699,337	(12,800,170)
10 Oct-11	112,528,518	1,075,079,709	108,689,089	1,114,706,753	3,839,427	(39,627,044)	(1,340)	13,834	3,839,087	(39,613,210)	-	538,525	(28,806,605)	3,838,087	(39,613,210)	3,838,087	(39,613,210)	(314)	215,684	3,299,248	(8,590,921)
10 Nov-11	130,621,833	1,205,701,542	128,294,166	1,243,000,918	2,327,667	(37,299,378)	(813)	13,021	2,326,855	(37,286,355)	-	1,163,427	(28,643,178)	1,163,427	(8,643,178)	2,326,855	(37,286,355)	8,330	224,013	1,171,757	(8,419,164)
10 Dec-11	145,965,985	1,351,667,527	143,506,588	1,386,507,507	2,459,396	(34,839,980)	(859)	12,163	2,459,538	(34,827,818)	-	1,229,269	(27,413,909)	1,229,269	(7,413,909)	2,459,538	(34,827,818)	11,821	235,834	1,241,090	(7,178,074)
												\$ 22,446,644				\$ 5,472,230			\$ 1,345,807		\$ 6,818,038

**Notes:**

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(C) The June 2010 PCA calculation does not include a \$17.8 million loss that PSE recorded per the Washington Commission's order in Docket No. UE-070725 to adjust the carrying value of PSE's California wholesale energy sales regulatory asset as the sales occurred in 2000, prior to the establishment of the PCA mechanism. Exclusion of this charge from the calculation of the imbalance for sharing is pursuant to the Methodology for Adjustments of Costs Outside of the PCA Period ("PCA true-up methodology").

NOTE: In March 2011 PSE and BPA reached an agreement in which BPA would pay PSE \$2,110,264 for 58,880 MWh that PSE had purchased from Klickitat County PUD for Goldendale station service from March 2009 through February 11, 2011 but which was never delivered by BPA due to a metering problem. PSE recorded the amount as a credit to a 447 order in March 2011. However, following the PCA methodology for true-ups greater than \$1 million, the credits related to the 2009 and 2010 amounts were not included in the calculation of the imbalance for sharing in March 2011. Instead the FERC 447 amounts for PCA periods 8 and 9 were restated to include the reductions for the settlement credits related to each PCA period. As a result the previously reported customer deferral decreased by \$1,029,615, net of the wholesale adjustment. The amount of the reduction in the customer deferral was calculated in accordance with the sharing band level PSE was in at each time period. The revision of the PCA periods also resulted in a \$26,437 decrease in PCA interest on the customer deferral balance.

NOTE: In September 2011 PSE received a \$6,909,103 tax refund from Canada related to GST and HST paid on gas transportation costs. The majority of the refund was for core gas but \$1,646,181 was for taxes paid on gas transportation costs for the combustion turbines from April 2008 - March 2011. PSE recorded that amount as a credit to 547 orders in September 2011 but following the PCA methodology for true-ups greater than \$1 million, the credits related to the 2008 - 2011 amounts were not included in the calculation of the imbalance for sharing in September 2011. Instead the 547 amounts for PCA periods 7 - 10 were restated to include the reductions for the refund related to each PCA period. As a result, the previously reported customer deferral decreased by \$922,058 net of the wholesale adjustment. The amount of the customer deferral was calculated in accordance with the sharing band level PSE was in at each time period. The revision of the PCA periods also resulted in a \$21,832 decrease in PCA interest on the customer deferral balance.

