

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Docket Nos. UE-090704 and UG-090705
Puget Sound Energy, Inc.'s
2009 General Rate Case**

PUBLIC COUNSEL DATA REQUEST NO. 552

PUBLIC COUNSEL DATA REQUEST NO. 552:

Reference Mr. Gaines rebuttal testimony, Exhibit No. DEG-11T, p. 11, ll. 19-21.

- a. Does the common equity ratio of the companies listed in Exhibit No. SGH-5 accurately represent the common equity ratio of the companies whose stock is traded, and, as such, the financial risk any investor must assume when he or she purchases that stock? If not, please explain why not?
- b. [Begin Highly Confidential] [REDACTED] [End Highly Confidential]

Response:

Puget Sound Energy, Inc. ("PSE") objects to Public Counsel Data Request No. 552 to the extent it seeks information that is neither relevant to the issues in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence. In particular, PSE's objection applies to requested information regarding Puget Holdings LLC that does not pertain to PSE or its regulated utility business. Without waiving this objection and subject thereto, PSE responds as follows:

- a. The Prefiled Direct Testimony of Stephen G. Hill, Exhibit No. SGH-5, is an exhibit sponsored by Mr. Hill, not Donald E. Gaines. Mr. Gaines has not checked the accuracy of the equity ratios listed in Exhibit No. SGH-5, nor the accuracy of the source from which the data is taken. Accordingly, Mr. Gaines's testimony with respect to Exhibit No. SGH-5 is limited to a review of its appropriateness, or lack thereof, with respect to comparing various equity ratios to the 48% equity ratio PSE has requested be used in its rate of return for ratemaking purposes. Mr. Gaines has concluded that it is flawed for that purpose.
- b. As described on page 11, lines 6-12 of Mr. Gaines's Prefiled Rebuttal Testimony, Exhibit No. DEG-11THC and in PSE's Response to Public Counsel Data Request No. 323, the Investor Consortium made investments [REDACTED]

REDACTED

Attached as Attachment A to PSE's Response to Public Counsel Data Request No. 552, please find [REDACTED]

Public Counsel Data Request No. 552 and PSE's Response to Public Counsel Data Request are each HIGHLY CONFIDENTIAL per Protective Order in WUTC Docket Nos. UE-090704 and UG-090705.

Attachment A to PSE's Response to Public Counsel Data Request No. 552 is CONFIDENTIAL per Protective Order in WUTC Docket Nos. UE-090704 and UG-090705.

REDACTED

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"CONFIDENTIAL" Table of Contents

DR NO.	"CONFIDENTIAL" Material
552	Public Counsel Data Request No. 552 and PSE's Response to Public Counsel Data Request No. 552, are each HIGHLY CONFIDENTIAL per Protective Order in WUTC Docket Nos. UE-090704 and UG-090705.
	Attachment A to PSE's Response to Public Counsel Data Request No. 552 is CONFIDENTIAL per Protective Order in WUTC Docket Nos. UE-090704 and UG-090705.

REDACTED

**ATTACHMENT A to PSE's Response to
Public Counsel Data Request No. 552**

REDACTED

Puget Holdings LLC
Consolidated Capital Structure

[REDACTED]

(\$ 000's)

Short-term Debt
Long-term Debt (incl current maturities and Hybrid)
Equity
Total Capital

Consolidated
Capital Structure

[REDACTED]

\$	[REDACTED]
\$	[REDACTED]
	[REDACTED]

Equity Ratio

Source: Consolidated 6/30/09 Balance Sheet for Puget Holdings, LLC provided in Confidential Attachment C to PSE's Response to Public Counsel Data Request No. 380