

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. 572

PUBLIC COUNSEL DATA REQUEST NO. 572:

Reference page 48 of Mr. Mills' rebuttal testimony. Please provide forecasted rate year MTM amounts and actual incurred MTM costs as reflected in each of PSE's last four approved baseline power cost forecasts.

Response:

Table 3 of the Prefiled Rebuttal Testimony of David E. Mills, Exhibit No. DEM-12CT, provides forecasted rate year mark-to-market ("MTM") amounts reflected in Puget Sound Energy, Inc.'s ("PSE") last six rate cases. In addition, please see Mr. Mills' workpaper "DEM-WP MTM from 03PCORC - 07 GRC_Staff DR 204.xls" or WP, DEM 0525-0526, which support the table amounts. These electronic workpapers were provided in this proceeding on December 17, 2009.

For the actual MTM amounts on PSE's gas for power contracts corresponding to the respective rate year periods, please see the table below. The actual MTM represents the settled invoice amount for fixed financial gas contracts only and are not comparable to those set in rates. For accounting purposes, fixed physical gas for power contracts are not marked to market, rather, they are included in the inventory cost of fuel, which is used to determine the cost of fuel burned and sold each month. The MTM on fixed physical gas for power contracts is calculated for rate case purposes because the AURORA model uses a 3-month average rate year monthly gas price. Any rate year fixed gas contracts (physical or financial) are marked to market outside of the AURORA model in the Not in Models calculation.

Rate Case	Docket	Rate Year Period	Actual Financial Gas Contract MTM (Gain) / Loss
2005 PCORC	UE-050870	Dec05-Nov06	(\$12,069,925)
2005 PCORC Update	UE-060783	Jul06-Dec06	\$1,533,400
2006 GRC	UE-06266	Jan07-Dec07	\$20,709,238
2007 PCORC	UE-070565	Sep07-Aug08	(\$2,368,250)
2007 GRC	UE-072300	Nov08-Oct09	\$112,740,800