

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. 324

PUBLIC COUNSEL DATA REQUEST NO. 324:

Refer to PSE's Response to Public Counsel Data Request No. 131(a).

- a) Please explain how Puget Energy expects to effectively and efficiently service more than one billion dollars of debt on its balance sheet (debt that does not appear on the balance sheet of Puget Sound Energy) absent a five-year financial forecast.
- b) Which of the following corporate entities above Puget Sound Energy that engage in a five-year financial forecast: Puget Equico, Puget Intermediate, Puget Holdings?
- c) Please provide the five-year financial forecast for each of those entities listed in the preceding interrogatory that prepare them. If none of the corporations prepare such forecasts, please explain why.

Response:

Puget Sound Energy, Inc. ("PSE") objects to Public Counsel Data Request No. 327 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, this objection applies to requested information regarding Puget Equico LLC, Puget Intermediate Holdings Inc. and Puget Holdings LLC that does not pertain to PSE. Without waiving such objection and subject thereto, PSE responds as follows:

- a) The investor consortium prepared a debt model that was a consolidated cash flow forecast representing the results of operations of both PSE and Puget Energy, Inc. ("PE"). Such model was provided in PSE's Response to WUTC Staff Data Request No. 1047 in WUTC Docket No. U-072375. PE has no operations other than as parent of PSE and PE's own administrative costs. PE has not prepared a five-year financial forecast because nearly 100% of its operations are represented by the operations of PSE. PE has prepared a budget of interest expense and administrative expenses for 2009. Attached as Attachment A to PSE's Response to Public Counsel Data Request No. 324, please find PE's forecasted interest expense and administrative expenses for 2009. Due to its large size, Attachment A to PSE's Response to Public Counsel Data Request No. 324 is provided in electronic format only.

REDACTED

- b) No five-year financial forecast has been prepared for Puget Equico LLC, Puget Intermediate Holdings Inc. or Puget Holdings LLC. Such entities did prepare a budget of expenses for 2009. Please see Attachment A to PSE's Response to Public Counsel Data Request No. 324 for budgeted expenses for Puget Equico LLC, Puget Intermediate Holdings Inc. and Puget Holdings LLC.
- c) Typically, PSE prepares an updated multi-year forecast annually. PE has not prepared such a forecast in the past because its activities are almost 100% related to PSE's operating activities.

Attachment A to PSE's Response to Public Counsel Data Request No. 324 is HIGHLY 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 324 IS HIGHLY CONFIDENTIAL**