

**EXHIBIT NO. ___(DEM-4C)
DOCKET NO. UE-13 ___
2013 PSE PCORC
WITNESS: DAVID E. MILLS**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

Docket No. UE-13 ___

**THIRD EXHIBIT (CONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF
DAVID E. MILLS
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**REDACTED
VERSION**

APRIL 25, 2013

**REVISED
JUNE 7, 2013**

PUGET SOUND ENERGY
PCORC Power Cost Comparison
 (dollars in thousands)

A/C	Contract/Resource	2013 PCORC (Nov13-Oct14) As Filed Prices = 3.5.13			2011 GRC (May12-Apr13) Prices = 4.25.12			Increase / (Decrease) Costs			2013 PCORC	11GRC	Change
		AURORA	Other	Total	AURORA	Other	Total	AURORA	Other	Total	MWH	MWH	MWH
											Prices = 3.5.13	Prices = 4.25.12	Incr/(Decr)
555H	Electron	\$0	\$ -	\$0	\$0	\$ -	\$0	\$0	\$ -	\$0	-	72,704	(72,704)
555H	Lower Baker	-	-	-	-	-	-	-	-	-	377,801	369,178	8,623
555H	Upper Baker	-	-	-	-	-	-	-	-	-	345,856	352,730	(6,874)
555H	Snoqualmie Falls	-	-	-	-	-	-	-	-	-	262,365	-	262,365
555	Mid-C Canadian EA	-	-	-	-	-	-	-	-	-	(185,521)	(188,991)	3,470
555H	Mid-C Rock Island	-	29,255	29,255	-	31,983	31,983	-	(2,728)	(2,728)	801,737	839,476	(37,739)
555H	Mid-C Rocky Reach	-	22,146	22,146	-	21,768	21,768	-	378	378	1,577,849	1,538,280	39,569
555H	Mid-C Priest Rapids Project	-	(4,026)	(4,026)	-	(2,994)	(2,994)	-	(1,032)	(1,032)	58,423	67,924	(9,501)
555H	Mid-C Douglas Wells	-	16,387	16,387	-	16,726	16,726	-	(339)	(339)	1,152,693	1,155,121	(2,428)
501	Colstrip 1&2	38,531	9,353	47,884	36,848	9,676	46,523	1,684	(323)	1,361	2,351,545	2,169,047	182,498
501	Colstrip 3&4	35,846	8,742	44,588	36,074	7,128	43,202	(229)	1,614	1,386	2,612,579	2,639,485	(26,906)
547	Goldendale	31,203	-	31,203	35,174	-	35,174	(3,971)	-	(3,971)	978,722	1,690,129	(711,407)
547	Mint Farm	36,015	-	36,015	36,744	-	36,744	(729)	-	(729)	1,134,354	1,714,619	(580,266)
547	Sumas	10,663	-	10,663	11,665	-	11,665	(1,003)	-	(1,003)	302,131	527,270	(225,139)
547	Freddy1	5,117	-	5,117	7,374	-	7,374	(2,257)	-	(2,257)	158,101	359,989	(201,888)
547	Encogen	7,155	-	7,155	7,128	-	7,128	27	-	27	181,191	280,005	(98,813)
547	Fredonia 1&2	356	-	356	109	-	109	247	-	247	7,880	3,487	4,393
547	Fredonia 3&4	2,324	-	2,324	1,227	-	1,227	1,096	-	1,096	58,300	42,085	16,215
547	Frederickson 1&2	371	-	371	20	-	20	350	-	350	8,174	635	7,539
547	Whitehorn 2&3	464	-	464	37	-	37	428	-	428	10,286	1,159	9,127
547	Ferndale	13,066	-	13,066	-	-	-	13,066	-	13,066	356,668	-	356,668
555	KlamathPeaker	1	1,794	1,795	-	1,785	1,785	1	9	10	20	-	20
555W	Hopkins Ridge	-	-	-	-	-	-	-	-	-	447,831	447,831	-
555W	Wild Horse	-	-	-	-	-	-	-	-	-	604,733	604,733	-
555W	Wild Horse Expansion	-	-	-	-	-	-	-	-	-	91,731	91,731	-
555W	LSR1	-	-	-	-	-	-	-	-	-	892,274	892,068	206
555W	Klondike Wind PPA	-	-	-	-	-	-	-	-	-	-	-	-
555	Baker Replacement	-	-	-	-	-	-	-	-	-	7,009	7,009	-
555	Barclays PPA	16,362	-	16,362	16,362	-	16,362	-	-	-	216,000	216,000	-
555	PG&E Exchange	-	5	5	-	(16)	(16)	-	21	21	156	36	120
555	Point Roberts BC Hydro	-	-	-	-	-	-	-	-	-	20,729	20,618	111
555	Electron PPA	-	4,193	4,193	-	-	-	-	4,193	4,193	72,300	-	72,300
555	QF Hutchinson Hydro	56	-	56	-	-	-	56	-	56	1,872	-	1,872
555	QF Koma Kulshan	3,023	-	3,023	2,981	-	2,981	43	-	43	39,088	38,832	256
555	QF Nooksack	228	-	228	1,261	-	1,261	(1,033)	-	(1,033)	3,997	22,123	(18,126)
555	QF Sygutowicz	29	-	29	53	-	53	(23)	-	(23)	360	660	(300)
555	QF Twin Falls	5,251	-	5,251	5,157	-	5,157	94	-	94	70,014	68,760	1,254
555	QF Weeks Falls	961	-	961	945	-	945	16	-	16	12,807	12,598	209
555	JP Morgan	-	-	-	36,392	-	36,392	(36,392)	-	(36,392)	-	529,800	(529,800)
555	Shell Energy PPA	-	-	-	25,427	-	25,427	(25,427)	-	(25,427)	-	402,000	(402,000)
555	Wasco Hydro	-	-	-	1,722	-	1,722	(1,722)	-	(1,722)	-	27,022	(27,022)
555	WNP-3 Exchange BPA Firm	15,123	-	15,123	15,919	-	15,919	(795)	-	(795)	361,890	426,435	(64,545)
555	Qualco Dairy Digester	36	-	36	341	-	341	(305)	-	(305)	352	3,427	(3,076)
555	Sch91Contracts	10,168	-	10,168	4,000	-	4,000	6,168	-	6,168	118,056	43,236	74,820
447	Market Sale PSE's	(4,402)	-	(4,402)	(4,913)	-	(4,913)	511	-	511	(120,600)	(222,600)	102,000
555	Market Purchase PSE's	201,805	-	201,805	238,242	-	238,242	(36,437)	-	(36,437)	5,883,640	6,132,000	(248,360)
555MP	Market Purchase	73,140	(2,275)	70,865	32,647	-	32,647	40,493	(2,275)	38,219	2,166,784	-	1,005,104
447	Market Sale	(22,596)	-	(22,596)	(36,112)	-	(36,112)	13,516	-	13,516	(710,690)	-	836,591
555	Peak Planning	-	14	14	-	743	743	-	(728)	(728)	-	-	-
555	BEP Amortization	-	3,527	3,527	-	3,527	3,527	-	-	-	-	-	-
555	Douglas Settlement Pymt	-	(748)	(748)	-	(218)	(218)	-	(530)	(530)	-	-	-
557	Other Power Costs	-	7,833	7,833	-	8,029	8,029	-	(196)	(196)	-	-	-
565	Transmission	-	110,466	110,466	-	92,329	92,329	-	18,138	18,138	-	-	-
555	Chelan Amort	-	7,088	7,088	-	7,088	7,088	-	0	0	-	-	-
456	MTM & Sales of Excess Gas	-	(11,151)	(11,151)	-	52,496	52,496	-	(63,646)	(63,646)	-	-	-
456	Cedar Hills Gas	-	2,216	2,216	-	-	-	-	-	-	2,216	2,216	-
555	Wind Integration Costs	-	3,162	3,162	-	5,386	5,386	-	(2,224)	(2,224)	-	-	-
547	Gas Transportation & Oil	-	39,520	39,520	-	31,424	31,424	-	8,096	8,096	-	-	-
	Total	\$491,125	\$247,504	\$738,629	\$523,270	\$286,859	\$810,130	(\$32,145)	(\$39,356)	(\$71,501)	22,890,882	23,172,444	(281,562)

Note: Adjustment to Market Purchases Costs and MWhs for addition of Electron PPA.

501	Coal	\$74,377	\$18,095	\$92,472	\$72,922	\$16,804	\$89,726	\$1,455	\$1,291	\$2,746	4,964,124	4,808,532	155,592
547	Natural Gas	106,733	39,520	146,253	99,479	31,424	130,903	7,253	8,096	15,350	3,195,808	4,619,379	(1,423,571)
555	Purchased Power	254,491	19,036	273,527	350,241	18,294	368,536	(95,750)	742	(95,009)	6,622,769	7,761,563	(1,138,794)
555W	Wind	9,382	-	9,382	9,006	-	9,006	376	-	376	2,195,964	2,195,759	206
555H	Hydro	-	63,762	63,762	-	67,484	67,484	-	(3,722)	(3,722)	4,576,724	4,395,412	181,312
557	Other Power Costs	-	7,833	7,833	-	8,029	8,029	-	(196)	(196)	-	-	-
565	Transmission	-	110,466	110,466	-	92,329	92,329	-	18,138	18,138	-	-	-
555MP	Market Purchases	73,140	(2,275)	70,865	32,647	-	32,647	40,493	(2,275)	38,219	2,166,784	1,161,680	1,005,104
447	Secondary Sales	(26,998)	-	(26,998)	(41,025)	-	(41,025)	14,027	-	14,027	(831,290)	(1,769,881)	938,591
456	Non-Core Gas	-	(8,935)	(8,935)	-	52,496	52,496	-	(61,430)	(61,430)	-	-	-
	Total	\$491,125	\$247,504	\$738,629	\$523,270	\$286,859	\$810,130	(\$32,145)	(\$39,356)	(\$71,501)	22,890,882	23,172,444	(281,562)