EXHIBIT NO. DEM-5C
DOCKET NO. UE-10_
PCA 8 COMPLIANCE
WITNESS: DAVID E. MILLS

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of

PUGET SOUND ENERGY, INC.

For Approval of its March 2010 Power Cost Adjustment Mechanism Report Docket No. UE-10____

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

REDACTED VERSION

MARCH 31, 2010

Schedule F Spot Market Exposure for Gas and Power Portfolios

Spot Market Exposure is measured monthly, and aggregated in a Rolling Twelve Month total that includes twelve full months following the current month. Monthly Spot Market Exposure is measured by multiplying the net open position by the current forward market price.

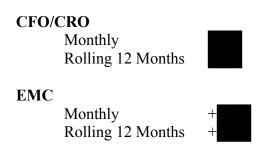
The Director has exposure authority up to the CFO/CRO level. Exposure above the CFO/CRO level requires notification to the EMC.

Power (Combined Power and Gas for Power)

CFO/CRO Monthly Rolling 12 Months EMC Monthly Rolling 12 Months +

Exposure is calculated individually for the on-peak power position, the off-peak power position and the gas for power position. The limit is calculated on the net exposure of all three.

Gas Total Portfolio (including EMC Approved Hedging Plan)



Exposure is calculated by month in the Gas portfolio by taking the net open position and subtracting assumed storage withdrawal for any given month.

REDACTED