

Exhibit H. Schedule of Estimated Avoided Cost

Consistent with WAC 480-107-055, this schedule of estimated avoided costs is intended to provide only general information to potential bidders about the cost of new power supplies. It does not provide a guaranteed contract price for electricity.

As provided for in WAC 480-107-055 (2) this schedule of estimated avoided costs is based upon the estimates included in PSE's current integrated resource plan which contains the projected market prices for power.

The schedule below provides the nominal price forecast on a monthly basis for flat load. These forecasts are based on assumptions about natural gas prices, regional demand, new resource cost and development, as used and discussed in PSE's May 2007 Integrated Resource Plan (IRP). The prices are part of PSE's "Current Trends" scenario from the 2007 IRP. Estimated prices are derived using the AURORA model and do not include system integration, shaping, or transmission costs. This information can be found in Appendix I, page I-25 of PSE's 2007 Integrated Resource Plan.

Table H.1 Monthly Prices for Mid-C Market (Nominal \$/MWh)

2007 IRP Current Trends													
\$/MWh	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave
2008	68.69	73.27	63.13	47.96	44.90	46.06	57.75	60.62	59.84	57.44	67.51	64.31	59.29
2009	65.35	70.62	60.67	46.52	42.55	43.51	54.19	56.98	57.22	54.37	66.34	61.55	56.65
2010	62.48	68.23	58.03	43.27	40.75	43.04	52.21	55.13	54.41	53.01	66.05	59.82	54.70
2011	61.34	67.06	56.98	41.67	38.99	41.16	49.12	53.14	52.69	51.58	64.91	57.83	53.04
2012	63.68	67.38	55.84	51.71	49.82	50.47	59.16	61.36	61.74	62.79	77.81	62.17	60.33
2013	64.89	68.59	56.87	53.55	51.15	50.51	60.61	63.78	64.69	63.40	74.77	64.56	61.45
2014	65.56	68.21	56.94	55.00	52.21	52.73	62.31	64.52	67.06	65.99	77.35	66.55	62.87
2015	64.77	66.79	56.61	54.91	52.41	53.77	62.32	64.59	67.25	66.23	77.54	65.99	62.77
2016	63.86	66.14	56.24	54.20	52.84	53.82	61.69	64.63	66.87	66.90	81.18	66.18	62.88
2017	67.44	67.79	58.63	57.29	55.97	57.08	66.00	68.34	69.72	71.71	86.03	69.00	66.25
2018	68.46	69.80	60.86	59.75	57.40	56.86	66.72	70.48	71.70	71.64	85.78	71.09	67.54
2019	71.50	71.38	62.15	62.66	59.77	58.96	70.10	73.39	74.76	75.53	89.82	75.22	70.44
2020	71.83	70.86	62.23	62.15	59.16	60.13	68.98	71.40	74.79	74.55	90.76	75.54	70.20
2021	76.30	75.98	67.04	63.78	58.56	58.83	67.57	70.40	73.59	73.89	96.33	82.08	72.03
2022	78.97	78.68	69.32	65.79	60.57	61.61	69.77	73.26	75.59	77.08	99.46	84.02	74.51
2023	81.78	80.50	71.15	67.43	62.97	63.11	72.29	75.82	77.17	80.33	102.85	85.50	76.74
2024	84.93	84.71	74.25	71.83	65.34	64.37	74.70	79.40	81.17	82.16	103.38	90.52	79.73
2025	86.92	87.47	76.67	73.41	66.83	66.87	77.67	80.66	83.94	84.76	106.81	93.33	82.11
2026	89.68	89.99	78.97	75.48	68.11	69.65	79.33	82.70	86.32	87.35	110.67	95.61	84.49
2027	92.28	92.60	82.29	77.96	69.99	72.71	82.33	85.87	88.74	90.17	115.79	98.53	87.44