

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Docket No. UE-070725

**Amended Petition of Puget Sound Energy, Inc. For an Order Authorizing
the Use of the Proceeds from the Sale of RECs and CFIs**

BENCH REQUEST NO. 1

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Please provide the amount of cost-effective low income conservation Puget Sound Energy, Inc. ("PSE") expects to achieve during 2010-2011 assuming PSE received Enron settlement funds but no funds from REC proceeds.

Response:

Below please find a breakdown of incremental cost effective low income conservation for 2010-2011 in the form of Commission Staff's Exhibit No. MPP-2. Scenario D reflects Enron settlement funds, but no funds from REC proceeds.

A. SCENARIO A: No REC funds and no Enron funds

1. Conservation expected: 2,992,800 kWh

Money & Sources:

- | | |
|------------------|-------------------|
| 2. Tariff Rider: | \$4,783,380 |
| 3. Shareholder: | <u>\$ 420,000</u> |
| 4. Total: | \$5,203,380 |

B. SCENARIO B: REC funds, but no Enron funds

5. Conservation expected: 3,418,099 kWh (425,299 kWh more than Scenario A)

Money & Sources:

- | | |
|------------------|--------------------|
| 6. Tariff Rider: | \$4,783,380 |
| 7. Shareholder: | \$ 210,000 |
| 8. REC funds: | <u>\$2,285,000</u> |
| 9. Total: | \$7,278,380 |

C. SCENARIO C: REC funds plus Enron funds

10. Conservation expected: 4,753,540 kWh (1,335,441 kWh more than Scenario B; 1,760,740 kWh more than Scenario A)

Money & Sources:

- | | | |
|-----|---------------|--------------------|
| 11. | Tariff Rider: | \$5,611,938 |
| 12. | Shareholder: | \$ 259,886 |
| 13. | REC funds: | \$2,285,000 |
| 14. | Enron funds: | <u>\$1,732,575</u> |
| 15. | Total: | \$9,889,399 |

D. SCENARIO D: No REC funds, but with Enron funds

16. Conservation expected: 4,328,241 kWh (425,299 kWh less than Scenario C)¹

Money & Sources:

- | | | |
|-----|---------------|-------------------------|
| 17. | Tariff Rider: | \$5,611,938 |
| 18. | Shareholder: | \$ 469,886 ² |
| 19. | Enron funds: | <u>\$1,732,575</u> |
| 20. | Total: | \$7,814,399 |

¹ Please note that the conservation expected as a result of REC proceeds is based solely on a forecast, and is a low-range, conservative estimate, while the conservation expected as a result of Enron proceeds is based partly on actuals, and is a relatively high estimate. *See also* Exh. No. J-6 at pp 2-3 for a description of low, medium and high conservation estimates.

² Scenario D reflects \$259,886 in Shareholder funds in 2010 plus \$210,000 as budgeted for 2011. Additional Shareholder funds were necessary in 2010 to meet agency production plans in part because Enron dollars could not be used for administrative costs.