**EXHIBIT NO. (GSS-3) DOCKET UE 161123**

**PSE SCHEDULE 451**

**WITNESS: GARY S. SALEBA**

**BEFORE THE**

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,**

**Complainant,**

**Docket No. UE-161123**

**v.**

**PUGET SOUND ENERGY,**

**Respondent.**

**SECOND EXHIBIT TO THE TESTIMONY OF GARY S. SALEBA ON BEHALF OF MICROSOFT CORPORATION**

**October 12, 2016**

**Exhibit (GSS‐3)**

**Calculation of Value of Firm Load Following Wholesale Power Supply Product**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Forward | Projected |  | Value of |
| Mid‐C | BPA Priority | Value of | Load |
| Wholesale | Firm Tier 1 | Load | Following |
| Year | Market($/MWh) (1) | Power Rates($/MWh) (2) | Following($/MWh) | as a Percentof Market |
|  | (a) | (b) | (c)=(b)‐(a) | (d)=(c)÷(a) |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 2018 | 25.2 | 35.2 | 9.9 | 39.4% |
| 2019 | 25.6 | 35.5 | 9.9 | 38.7% |
| 2020 | 27.1 | 36.5 | 9.4 | 34.5% |
| 2021 | 29.0 | 36.6 | 7.7 | 26.5% |
| Average |  |  |  | **34.7%** |

(1) Source: EES Consulting's August 2016 projection of forward market prices.

(2) Source: Long‐Term Reference Case provided in BPA's June 2016 Integrated Program Review process.