

**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,

v.

PUGET SOUND ENERGY,

Respondent.

Docket No. UE-161123

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

October 12, 2016

Calculation of Value of Firm Load Following Wholesale Power Supply Product

Year	Forward Mid-C Wholesale Market (\$/MWh) ⁽¹⁾ (a)	Projected BPA Priority Firm Tier 1 Power Rates (\$/MWh) ⁽²⁾ (b)	Value of Load Following (\$/MWh) (c)=(b)-(a)	Value of Load Following as a Percent of Market (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.