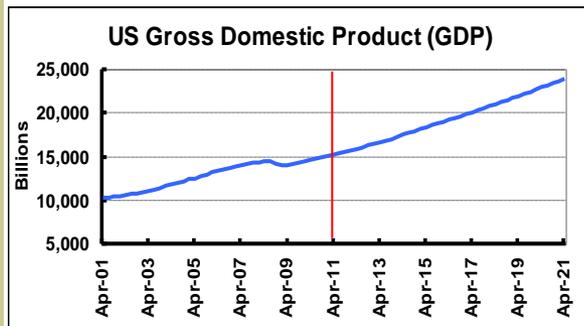


2011 System Load Forecast

**Review Panel
Seattle City Light
November 4, 2011**

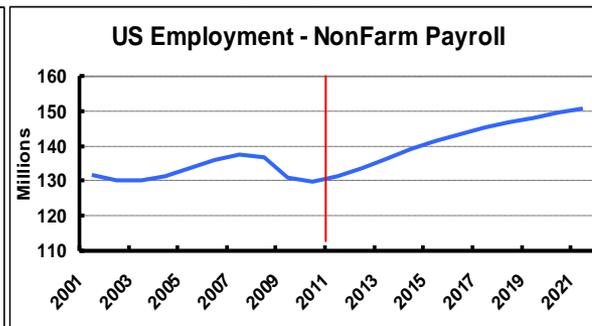
Key Forecasts: United States

GDP



- GDP reached its pre-recession level in Q4 of 2010, but GDP outlook revised down
- New signs of slowing growth, driven by oil prices, stock market, and June expiration of QE2

Employment



- Very slow job growth
- Pre-recession employment level not expected until 2014
- Losses in Government causing “echo”

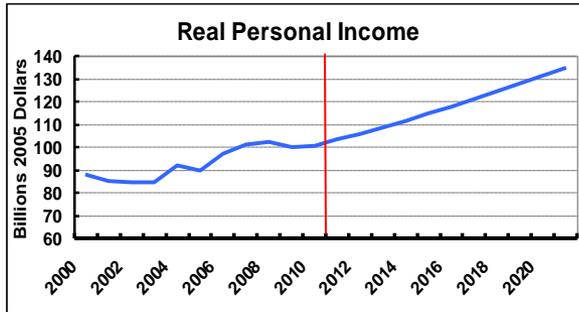
Housing Starts



- Worst housing market in 80 years
- Postponed home-buying and foreclosures driving rentals up and home values down

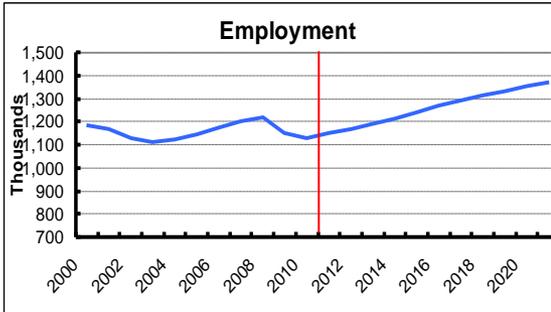
Key Forecasts: King County

Real Personal Income



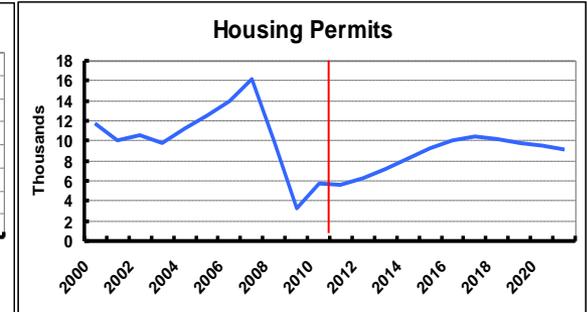
- Personal income reaches the pre-recession level in 2011
- Stock market and housing market Impact consumer spending

Employment



- Very slow job growth, slightly worse than US average
- Pre-recession employment not reached until 2014

Housing Permits

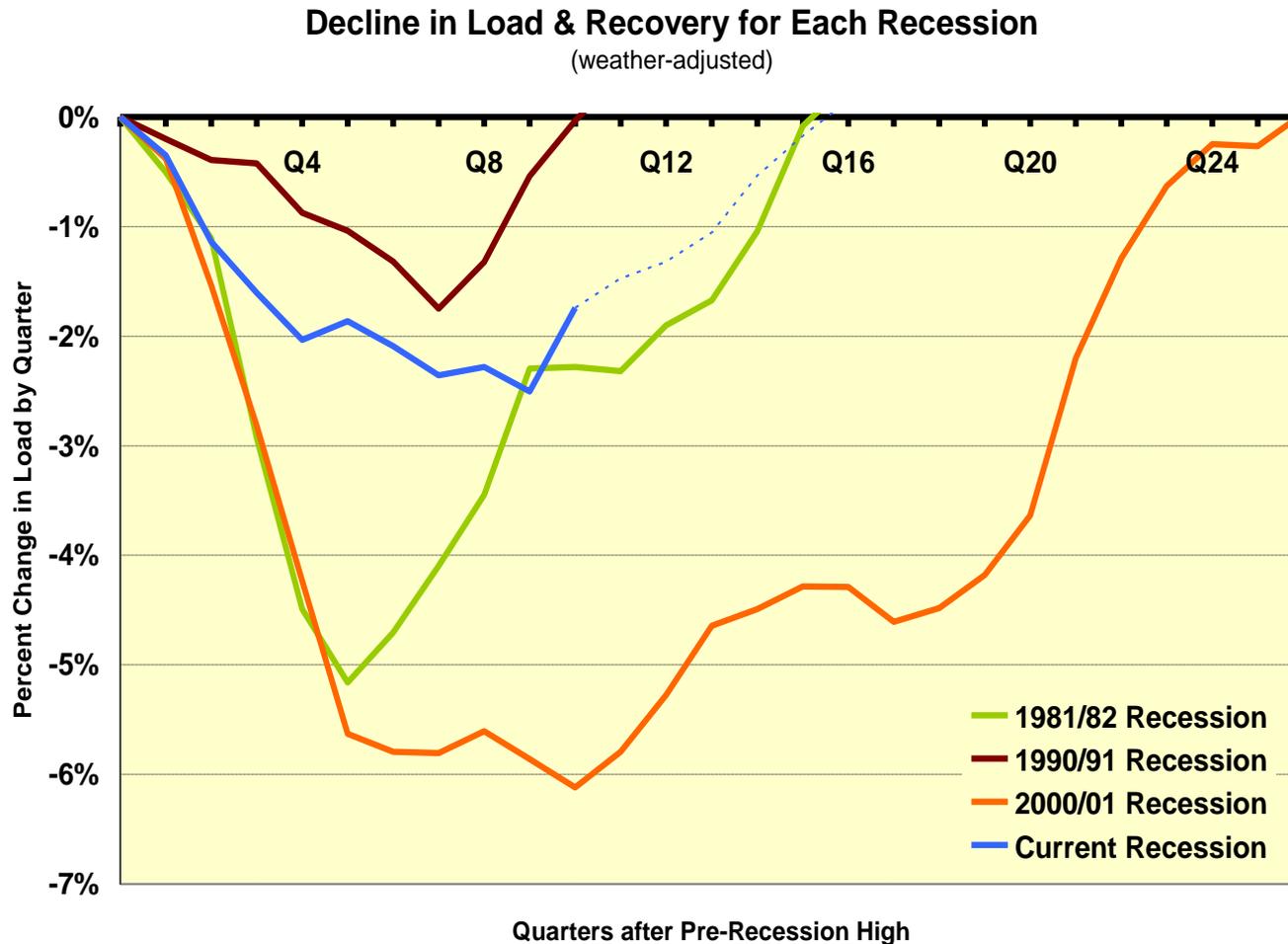


- Housing market worst in 80 years, slightly worse than US average
- Continuing decline in home values driving growth in home rental market and multi-family construction



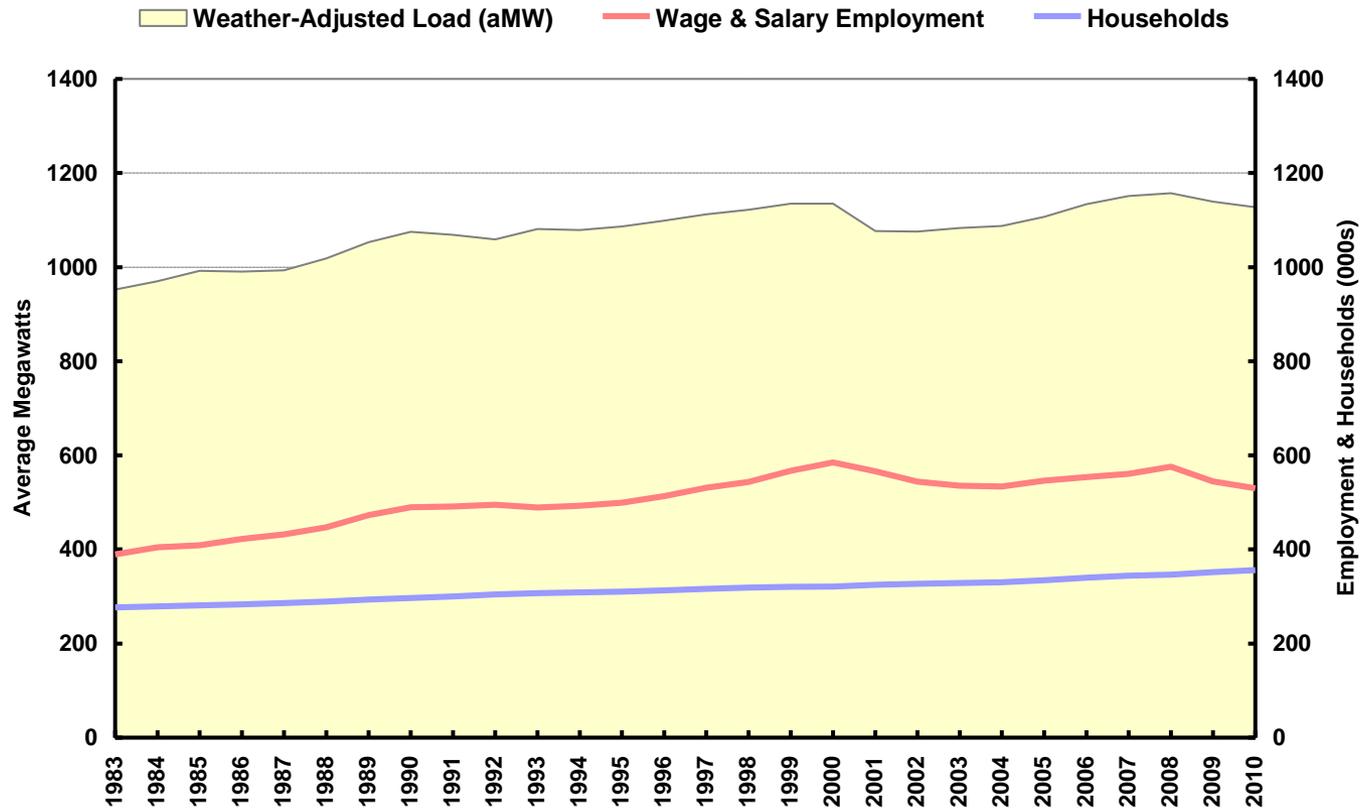
2011 System Load Forecast

Load during Past Recessions



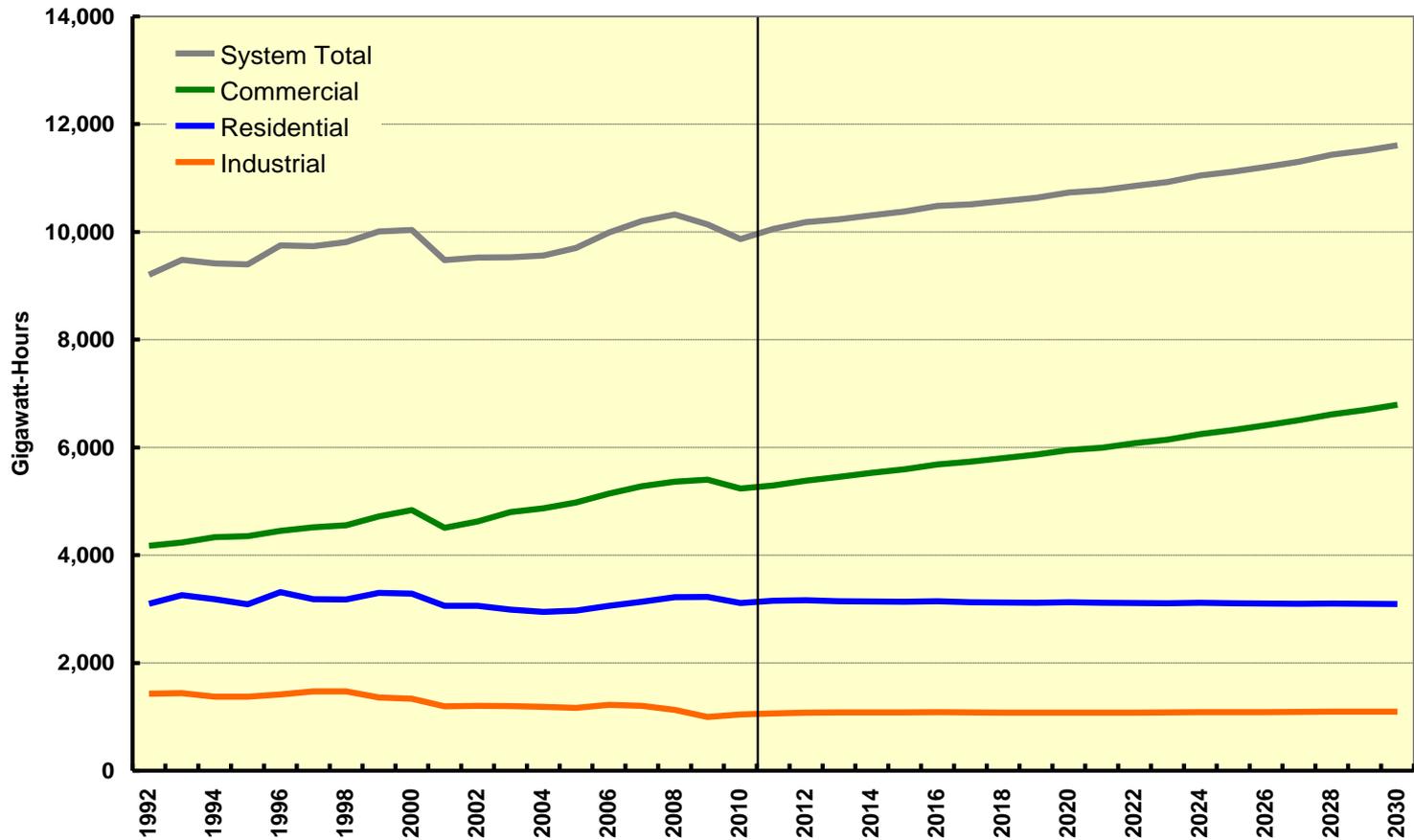
Employment & Households

Forecast Drivers



Forecast by Customer Class

Load History (actual) & 2011 Load Forecast (normal weather)



2011 System Load Forecast (Net of Conservation)

2011 Load Forecast (normal weather)

	Average Megawatts	Annual % Change		Average Megawatts	Annual % Change
2011	1144.0	1.5%	2021	1228.5	0.6%
2012	1159.7	1.4%	2022	1238.6	0.8%
2013	1168.3	0.7%	2023	1248.2	0.8%
2014	1176.5	0.7%	2024	1258.7	0.8%
2015	1184.7	0.7%	2025	1269.5	0.9%
2016	1193.2	0.7%	2026	1279.2	0.8%
2017	1200.5	0.6%	2027	1289.8	0.8%
2018	1207.4	0.6%	2028	1301.7	0.9%
2019	1213.6	0.5%	2029	1314.4	1.0%
2020	1221.1	0.6%	2030	1326.4	0.9%

0.78% Compound Annual Growth Rate

Past Forecasts: 1974 - 2011

