

2002 LOW INCOME CUSTOMER CHARGE  
SUMMARY OF SETTLEMENT METHODOLGY - NATURAL GAS

CUSTOMER CLASS	SCHEDULE(S)	TOTAL PROFORMA VOLUMES	PROFORMA REVENUE	PROFORMA MARGIN	RATE PER THERM (\$/THERM)	INCREASE (DECREASE) \$	INCREASE (DECREASE) %
Residential	11/23/24	471,036,087	\$ 353,393,641	\$ 135,438,129	\$ 0.00405	\$ 1,907,696	0.540%
Commercial and Industrial - Firm Sales							
C&I Heating	31/36/50/51	199,184,573	\$ 136,934,786	\$ 47,306,883	\$ 0.00335	\$ 667,268	0.487%
C&I - 41	41	53,061,652	\$ 29,263,579	\$ 8,099,536	\$ 0.00215	\$ 114,083	0.390%
Commercial and Industrial - Firm Sales Total		<u>252,246,225</u>	<u>\$ 166,198,365</u>	<u>\$ 55,406,419</u>		<u>\$ 781,351</u>	<u>0.470%</u>
Commercial and Industrial - Interruptible Sales							
C&I Interruptible Sales - 85	85	<u>23,062,431</u>	<u>\$ 11,696,442</u>	<u>\$ 1,812,075</u>		<u>\$ 30,939</u>	<u>0.265%</u>
First 25K		12,737,352			\$ 0.00172		
Next 25,000 Therms		4,559,538			\$ 0.00122		
All over 50,000 Therms		5,765,541			\$ 0.00060		
C&I Interruptible Sales - 86	86	<u>25,430,722</u>	<u>\$ 14,895,376</u>	<u>\$ 3,861,669</u>	\$ 0.00214	\$ 54,412	0.365%
C&I Interruptible Sales - 87	87	<u>61,039,920</u>	<u>\$ 25,532,438</u>	<u>\$ 1,833,431</u>		<u>\$ 39,266</u>	<u>0.154%</u>
First 100,000 therms		19,784,083			\$ 0.00118		
Next 100,000 therms		9,667,752			\$ 0.00052		
Next 300,000 therms		10,909,439			\$ 0.00040		
All over 500,000 therms		20,678,647			\$ 0.00032		
Commercial and Industrial - Interruptible Sales Total		<u>109,533,073</u>	<u>\$ 52,124,256</u>	<u>\$ 7,507,175</u>		<u>\$ 124,616</u>	<u>0.239%</u>
Commercial and Industrial - Transport							
C&I Transport - 57	57	<u>142,657,890</u>	<u>\$ 9,609,137</u>	<u>\$ 9,609,137</u>		<u>\$ 116,611</u>	<u>1.214%</u>
First 25,000 Therms		26,463,558			\$ 0.00172		
Next 25,000 Therms		19,060,958			\$ 0.00122		
Next 50,000 Therms		21,901,951			\$ 0.00079		
Next 100,000 Therms		21,294,115			\$ 0.00052		
Next 300,000 Therms		28,250,745			\$ 0.00040		
All over 500,000 Therms		25,686,563			\$ 0.00032		
Commercial and Industrial - Transport Total		<u>142,657,890</u>	<u>\$ 9,609,137</u>	<u>\$ 9,609,137</u>		<u>\$ 116,611</u>	<u>1.214%</u>
Total		<u>975,473,275</u>	<u>\$ 581,325,399</u>	<u>\$ 207,960,860</u>	<u>\$ 0.00300</u>	<u>\$ 2,930,275</u>	<u>0.504%</u>

Cost recovery for the LIP will be based upon the specific rates set forth in this spreadsheet. These rates have been derived using an equal percent of margin methodology with modification to reflect normalized group equal margin allocations with declining blocks for natural gas Schedules 57, 85 and 87. This methodology is agreed to be binding for settlement purposes only and for the annual compliance filing set forth in paragraph 9 of the Settlement Terms for Low Income, but is not intended to establish any precedent for PSE or any other investor-owned utility, low-income programs.