

EXHIBIT NO. ___(RJA-14)
DOCKET NO. UE-060266/UG-060267
2006 PSE GENERAL RATE CASE
WITNESS: RONALD J. AMEN

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

Docket No. UE-060266
Docket No. UG-060267

**THIRD EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED REBUTTAL TESTIMONY OF
RONALD J. AMEN
ON BEHALF OF PUGET SOUND ENERGY, INC.**

AUGUST 23, 2006

PUGET SOUND ENERGY
Proxy Group of Gas & Electric Distribution Companies
Ratemaking Status

Company	Gas (G) Electric (E) Gas/Electric (G/E)	Electric Fuel & PPAC	Ratemaking Solutions to Address Regulatory Lag, Weather, Decoupling and/or Other Cost Recovery Issues
Alliant Energy (WI, MN, IA, IL)	G/E	Incentive FAC (WI, IA)	<ul style="list-style-type: none"> » Annual rate filings (WI) » Interim rate policy; partially forecasted test year. (MN) » Tracker mechanism used for recovery of expenses for a conservation improvement program. (MN) » Shared-savings DSM financial incentive plan in place for providing shareholder incentive for gas efficiency programs. (MN) » Interim rate policy; adjusted test year (9 month); Alternate Rate Plans permitted. (IA) » Future test year. (IL) » Allows recovery of decommission costs during life of plant. (IL)
Ameren Corp. (IL, MO) <u>Companies</u> <i>IL - Ameren CILCO</i> <i>MO - Ameren UE</i>	G/E	FAC (IL)	<ul style="list-style-type: none"> » Future test year. (IL) » Allows recovery of decommission costs during life of plant. (IL) » Interim rate policy. (MO) » Partially forecasted test year. (MO) » Cost recovery mechanism for special gas main replacement program. (MO)
Avista Corp. (WA, ID, OR, CA)	G/E	PCA (ID)	<ul style="list-style-type: none"> » Decoupling filing (Spring 2006) (WA) » Cost recovery mechanisms for gas energy efficiency programs. (WA) » Gas public service surcharge for cost recovery of gas energy efficiency programs. (CA)

			<ul style="list-style-type: none"> » Mechanism for cost recovery of gas energy efficiency programs. (OR) » Cost recovery process that allows recovery of lost revenues from gas energy efficiency programs. (OR) » Recovery of energy efficiency expenditures over shorter period, to help encourage utilities to provide gas efficiency programs. (OR)
AGL Resources (GA, NJ, VA, FL, TN, MD) <u>Companies</u> GA - Atlanta Gas Light NJ – Elizabethtown Gas VA – Virginia Natural Gas FL – Florida City Gas TN – Chattanooga Gas MD – Elkton Gas	G		<ul style="list-style-type: none"> » Interim rate policy. Partially forecasted test years at the time of the decision. (GA) » Cost recovery mechanism for special gas main replacement program. » Weather Normalization Adjustment Mechanism (TN, VA) » Interim rate policy. (FL) » Permanent base rates utilize partially or fully forecasted test years.
Atmos Energy Corporation (CO, GA, IL, IA, KS, KY, LA, MS, MO, TN, TX, VA)	G		<ul style="list-style-type: none"> » Weather Normalization Adjustment Mechanism. (GA / KS / KY / TN / TX (TXU Gas) » Cost recovery for special gas main replacement program. (GA) » Bad debt adjustment mechanism. (TN) » Allowed to track and recover upto 50% of margin loss from industrial customers due to bypass, special contracts, and flex pricing. (KY) » Interim rate policy. Partially forecasted test year. (MO) » Cost recovery mechanism for special gas main replacement program. (MO) » Interim rate policy. Future test year. PBR mechanism. (LA)

<p><i>American Electric Power (AR, IN, KY, LA, MI, OH, OK, TN, TX, VA, WV)</i> <u>Companies</u> <i>OH/TX – AEP</i> <i>TN/VA/WV – Appalachian Power</i> <i>KY – KY Power</i> <i>OK – PSC of OK</i> <i>AR/TX/LA – Southwest Electric Power Company</i></p>	E	PSA (Electric retail access-OH)	<ul style="list-style-type: none"> » Interim rate policy in the case that a rate case is not decided within 360 days from filing. “Known and measurable” post-test period adjustments generally taken into consideration. (AR) » Four cost adjustment mechanisms – 1) Power supply adjuster, 2) Returning customer direct assignment charge, 3) System benefit adjustment clause, 4) Competition rules compliance cost adjustment mechanism. (AR) » PUC is adopting post market development electric rate stabilization plans, including recovery of fuel cost changes and emissions expenditures. (OH) » Customer migration cost recovery rider (gas). (OH) » Proposed rates may be placed into effect, subject to refund with interest after 5 months of filing. (VA) » The SCC has allowed adjustments to rate base to reflect known-and-measurable pro forma changes. » Interim rate policy. (MI)
<p>Central Vermont Public Service (VT)</p>	E		<ul style="list-style-type: none"> » Proposed rates may be placed into effect, subject to refund with interest after 7 months of filing. » Interim rate increases permitted.
<p>Cleco Corp. (LA)</p>	E		<ul style="list-style-type: none"> » Interim rate changes may be permitted, and if implemented, are subject to refund pending final PSC action.
<p>Cascade Natural Gas Corporation (WA, OR)</p>	G		<ul style="list-style-type: none"> » Decoupling: filed for decoupling in WA, approved in Oregon. » Cost recovery mechanisms for gas energy efficiency programs. (WA)
<p>CH Energy Group (NY) NY – Central Hudson G&E</p>	G/E	PPA	<ul style="list-style-type: none"> » Forecasted test year. » Rate Plan with Customer Benefit Fund, includes reliability improvement program and mfg. gas plant remediation.
<p>Cinergy Corp. (OH, KY, IN, NC, SC) (Duke Energy)</p>	G/E	(Electric retail access-OH)	<ul style="list-style-type: none"> » Gas infrastructure replacement trackers. (OH, KY) » DSM savings retention mechanism. (NC,SC)

Consolidated Edison (NY)	G/E	FAC (NY)	<ul style="list-style-type: none"> » Weather Normalization Adjustment mechanism » PBR mechanism.
DPL, Inc. (OH)	E	(Electric retail access-OH)	<ul style="list-style-type: none"> » Interim rate policy. » Partially forecasted test year. » Price freeze on T&D and generation rates during market development period.
<i>DTE Energy (MI)</i>	G/E		<ul style="list-style-type: none"> » Interim rate increases subject to demonstration of a financial emergency.
Energy East Corporation (MA, ME, CT, NY) <u>Companies</u> MA – Berkshire Gas Co ME – Central Maine Power CT – CT Natural Gas Corp, Southern CT Gas Co. NY – NYSEG, Rochester G&E	G/E	FAC (NY)	<ul style="list-style-type: none"> » NYSEG PBR mechanism. » Southern CT Gas Co. – Weather Normalization Adjustment Mechanism. » CT Natural – Interruptible margins passed through PGA with sharing. » Rochester G&E – Weather Normalization Adjustment Mechanism
Entergy Corp. (LA, TX, AR, MS)	G/E	FAC (LA) ECR (MS)	<ul style="list-style-type: none"> » Interim rate policy. Future test year. PBR mechanism. (LA) » PSC must decide a rate case within 120 days of filing, otherwise the full rate increase may be implemented under bond on a temporary basis. Future test year. (MS)
Empire District Electric (MO, KS, AR, OK)	G/E	PSA	<ul style="list-style-type: none"> » Interim rate policy. (MO) » Partially forecasted test year. (MO) » Interim rate policy in the case that a rate case is not decided within 360 days from filing. “Known and measurable” post-test period adjustments generally taken into consideration. (AR) » Four cost adjustment mechanisms – 1) Power supply adjuster, 2) Returning customer direct assignment charge, 3) System benefit adjustment clause, 4) Competition rules compliance cost adjustment mechanism. (AR)

Exelon Corporation <u>Companies</u> IL - ComED PA - PECO	G/E	FAC (IL)	<ul style="list-style-type: none"> » Future test year; Decommissioning Expense Adjustment Clause; Rider IFC (Transitional Funding Trust) (IL) » Forecasted test year. (PA)
FirstEnergy Corp. (OH, NJ, PA)	G/E	(Electric retail access-OH, NJ)	<ul style="list-style-type: none"> » PUC is adopting post market development electric rate stabilization plans, including recovery of fuel cost changes and emissions expenditures.
Green Mountain Power (VT)	E	FAC	<ul style="list-style-type: none"> » Proposed rates may be placed into effect, subject to refund with interest, after 5 months of filing.
Hawaiian Electric (HI)	E	FAC	<ul style="list-style-type: none"> » State law calls for an interim rate increase one month after the nine month filing period. » Temporary rate increase policy. » Future test year. » Financial incentive mechanisms to encourage the use of demand-side management (DSM) programs.
<i>IDACORP, Inc. (ID)</i>	E		<ul style="list-style-type: none"> » Interim rate policy » Decoupling (filing 2006)
Laclede Group (MO)	G		<ul style="list-style-type: none"> » Interim rate policy. » Partially forecasted test year. » Cost recovery mechanism for special gas main replacement program.
MGE Energy (WI) Madison Gas & Elec.	G/E	PCA	<ul style="list-style-type: none"> » Forecasted test year, 50% ROR on CWIP. » Public benefits energy funding mechanism provides cost recovery for gas energy efficiency programs.

New Jersey Resources	G		<ul style="list-style-type: none"> » Weather Normalization Adjustment Mechanism. » Decoupling filing pending.
Nicor, Inc. (Gas) (IL)	G		<ul style="list-style-type: none"> » Interim rate policy. » Rate filings may be based on historical, current or future test years.
Northwest Natural Gas (OR, WA)	G		<ul style="list-style-type: none"> » Decoupling. (OR) » Weather Normalization Adjustment Mechanism. (OR) » Cost recovery mechanism for special gas main replacement program. (OR) » Cost recovery mechanisms for gas energy efficiency programs. (WA)
<i>NiSource Inc. Bay State Gas (MA) Columbia Gas of KY Columbia Gas of MD Columbia Gas of OH Columbia Gas of PA Columbia Gas of Virginia Northern Utilities (NH, ME) Kokomo Gas and Fuel Company (IN) NIPSCO, Northern Indiana Public Service Company</i>	G/E		<ul style="list-style-type: none"> » Bay State Gas – Bad debt adjustment mechanism. » Northern Utilities - Bad debt adjustment mechanism. » Cost recovery mechanism for special gas main replacement program. » Columbia of Ohio - Bad debt adjustment mechanism. » Columbia Gas of Kentucky - Weather Normalization Adjustment Mechanism. » Columbia Gas of Maryland - Weather Normalization Adjustment Mechanism. » Environmental trackers for coal tar. (MA)
Northeast Utilities (CT)	G/E	(Electric retail access) EAC	<ul style="list-style-type: none"> » Incentive rate plan. » EAC for Standard Offer Service (SOS)
NSTAR (MA)	G/E	(Electric retail access)	<ul style="list-style-type: none"> » PBR; Local Distribution Adjustment Clauses (LDAC) for recovery of reconcilable gas distribution-related costs not

			<p>included in base rates, including DSM costs and manufactured gas plant remediation; pension adjustment mechanism.</p> <ul style="list-style-type: none"> » Final decision within 6 months of filing, otherwise proposed rates become effective. » Interim rate policy. » Post test year rate base additions permitted. » Incentive based program for distribution companies that achieve DTE targets for energy efficiency programs. » Conservation charge for cost recovery of gas energy efficiency programs. » Mechanism for recovery of lost revenue from gas efficiency programs. » Residential Conservation Service (RCS) audit program to help encourage utilities to provide gas efficiency programs. » Environmental trackers for coal tar. Recovery of FERC 636 costs. Interruptible transportation margins above threshold passed through GCA with sharing.
<i>OGE Energy (OK, AR)</i>	G/E		<ul style="list-style-type: none"> » Interim rate policy in the case that a rate case is not decided within 360 days from filing. "Known and measurable" post-test period adjustments generally taken into consideration. » Four cost adjustment mechanisms – 1) Power supply adjuster, 2) Returning customer direct assignment charge, 3) System benefit adjustment clause, and 4) Competition rules compliance cost adjustment mechanism. (AR)
Pepco Holdings (NJ, DE, MD, VA) Pepco Conectiv	G/E	(Electric retail access- NJ,DE,MD,VA)	
PG&E Corporation (CA)	G/E	ERRA	<ul style="list-style-type: none"> » PBR/Decoupling » Interim rate policy.

			<ul style="list-style-type: none"> » Forecasted test year. » Gas public service surcharge for cost recovery of gas energy efficiency programs.
PNM Resources (NM)	G/E		<ul style="list-style-type: none"> » Gas Decoupling filing (pending). » Electric rate plan through 2008.
Pinnacle West Capital Corp (AZ)	E	PSA	
Progress Energy (NC, SC, FL)	E	FAC (FL)	<ul style="list-style-type: none"> » Storm damage recovery. (FL) » Included in the fuel adjustment clause is a generating performance incentive.
Peoples Energy Corp. (IL)	G		<ul style="list-style-type: none"> » Interim rate policy. » Rate filings may be based on historical, current or future test years.
Piedmont Natural Gas Company (NC, SC, TN)	G		<ul style="list-style-type: none"> » Decoupling. (NC) » Bad debt adjustment mechanism. (NC) » Deferral and recovery of Industrial rate discounts. (NC) » Weather Normalization Adjustment Mechanism. (TN, SC)
PPL Corp. (OR, UT, WY, CA, MT)	E		<ul style="list-style-type: none"> » PBR and Uncontrollable Cost Adjustment Mechanism (UCAM) filings (pending). (WY) » Interim rate policy.(UT) » Interim rate increases permitted. DSM incentives. (MT)
Public Service Enterprise (NJ)	G/E	(Electric retail access)	<ul style="list-style-type: none"> » Interim rate policy » Partially forecasted test year.
South Jersey Industries	G		<ul style="list-style-type: none"> » Interim rate policy » Partially forecasted test year » Weather Normalization Mechanism » Social benefits charge (SBC) for cost recovery of gas energy efficiency programs.
Southwest Gas (AZ, NV, CA)	G		<ul style="list-style-type: none"> » Decoupling. (CA) » Gas public service surcharge for cost recovery of gas energy

			efficiency programs. (CA) » Cost recovery mechanism for special gas main replacement program. (CA)
TECO Energy (FL)	G/E	PP&FAC	» Storm damage recovery.
UniSource Energy (AZ) Tucson Elec., UNS-Gas, UNS-Elec.	G/E	PP&FAC	» UNS-Gas Decoupling filing & higher customer charges (July 2006)
WGL Holdings (DC, MD, VA)	G/E		» Decoupling. Partially forecasted test year. (MD) » Interim rate policy. Partially forecasted test year. (DC) » Annual rate filings authorized. (VA)
Wisconsin Energy (WI)	G/E	PCA	» Forecasted test year, 50% ROR on CWIP (Wisc. Gas).
Xcel Energy, Inc. (MN, ND, CO)	G/E	Incentive PPA (CO)	» Electric PBR mechanism; Gas SFV Rate Design. (ND) » Earnings sharing mechanism for electric operations. » Quality of service plan for electric and gas operations. (CO) » Interim rates permitted. Partially forecasted test year. DSM mechanisms for both gas and electric program costs are recoverable (MN)

Bold – Electric and Gas Utilities exclusively in the “Hill” list.

Italics – Electric and Gas Utilities exclusively in the “Gorman” list.