SCHEDULE 91

(K)(N)

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DEMAND SIDE MANAGEMENT RATE ADJUSTMENT- WASHINGTON

APPLICABLE:

To Customers in the State of Washington where the Company has electric service available. This Demand Side Management Rider Adjustment or Rate Adjustment shall be applicable to all retail customers for charges for electric energy sold and to the flat rate charges for Company-owned or Customer-owned Street Lighting and Area Lighting Service. This Rate Adjustment is designed to recover costs incurred by the Company associated with providing Demand Side Management services and programs to customers.

CONSERVATION COST RECOVERY PROCEDURES:

Each year, the Company;

a. Obtains the most recent DSM balance, which trues-up prior period differences for;

i. Budget versus actual expenditures, and

ii. Revenues set in rates versus actual revenue recovered.

1. Estimates current year DSM expenditures,
2. Adds together the present DSM balance and the estimate of current year expenditures (a + b) to develop the revenue requirement for the rate period. The Company then uses base revenue from the most recently approved general rate case to allocate the DSM revenue requirement to each rate schedule. The per kWh rates are then calculated by dividing the DSM revenue requirement for each rate schedule by the forecasted kWh usage for the rate period. For rate schedules 41-48 (Street & Area Lighting) the Company divides the allocated revenue requirement by the base revenue from the most recently approved rate case to determine the percentage applied to the fixed monthly charges for those rate schedules.

The total demand side management revenue requirement amount, applicable adjustments by rate schedule (if any), and all substantiating calculations, are then submitted to the Commission for approval at least 60 days prior to the requested effective date.

(K) Material has been transferred to Original Sheet 91A.

SCHEDULE 91A

(R)

(R)

DEMAND SIDE MANAGEMENT RATE ADJUSTMENT- WASHINGTON cont.

MONTHLY RATE:

The energy charges of the individual rate schedules are to be surcharged by the following amounts:

Schedule 1 $0.00201 per kWh

Schedule 11 & 12 $0.00272 per kWh

Schedule 21 & 22 $0.00208 per kWh

Schedule 25 $0.00129 per kWh

Schedule 31 & 32 $0.00190 per kWh

Schedules 41-48 2.36% of base rates

SPECIAL TERMS AND CONDITIONS:

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Rate is subject to increases as set forth in Tax Adjustment Schedule 58.