

**EXHIBIT NO. ___(JHS-20)
DOCKET NO. UE-060266/UG-060267
2006 PSE GENERAL RATE CASE
WITNESS: JOHN H. STORY**

**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**

**FIRST EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED REBUTTAL TESTIMONY OF
JOHN H. STORY
ON BEHALF OF PUGET SOUND ENERGY, INC.**

AUGUST 23, 2006

PUGET SOUND ENERGY-ELECTRIC
RESULTS OF OPERATIONS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE

LINE NO.	ACTUAL RESULTS OF OPERATION	TOTAL ADJUSTMENTS	ADJUSTED RESULTS OF OPERATIONS	REVENUE REQUIREMENT DEFICIENCY	AFTER RATE INCREASE
1	<u>OPERATING REVENUES:</u>				
2	\$ 1,397,539,936	\$ 315,071,416	\$ 1,712,611,352	\$ 33,778,533	\$ 1,746,389,885
3	350,901	127,722	478,623	-	478,623
4	151,158,328	(142,081,018)	9,077,310		9,077,310
5	55,899,367	(19,712,724)	36,186,643	-	36,186,643
6	<u>1,604,948,532</u>	<u>153,405,396</u>	<u>1,758,353,928</u>	<u>33,778,533</u>	<u>1,792,132,461</u>
7					
8	OPERATING REVENUE DEDUCTIONS:				
9					
10	<u>POWER COSTS:</u>				
11	\$ 75,039,758	\$ 11,799,730	\$ 86,839,488	\$ -	\$ 86,839,488
12	808,898,950	(68,778,949)	740,120,001		740,120,001
13	43,994,427	14,150,625	58,145,052		58,145,052
14	(177,350,021)	177,350,021	-		-
15	<u>750,583,114</u>	<u>134,521,427</u>	<u>885,104,541</u>	<u>-</u>	<u>885,104,541</u>
16					
17	\$ 53,185,137	\$ 24,684,978	\$ 77,870,115	\$ -	\$ 77,870,115
18	3,786,749	369,362	4,156,111		4,156,111
19	56,397,075	5,396,061	61,793,136		61,793,136
20	32,311,231	3,856,520	36,167,751	154,460	36,322,210
21	9,266,102	(7,727,470)	1,538,632		1,538,632
22	18,233,848	(18,233,848)	-		-
23	64,934,552	9,620,296	74,554,848	64,179	74,619,027
24	129,900,123	21,488,530	151,388,653		151,388,653
25	24,582,050	566,304	25,148,354		25,148,354
26	7,937,131	(3,180,069)	4,757,062		4,757,062
27	(2,317,679)	2,085,161	(232,518)		(232,518)
28	911,373	(911,373)	-		-
29	140,165,789	(29,864,137)	110,301,652	1,302,260	111,603,912
30	101,303,182	(15,179,432)	86,123,750	11,290,171	97,413,920
31	(17,512,885)	17,349,292	(163,593)		(163,593)
32	<u>\$ 1,373,666,892</u>	<u>\$ 144,841,601</u>	<u>\$ 1,518,508,493</u>	<u>\$ 12,811,070</u>	<u>\$ 1,531,319,563</u>
33					
34	\$ 231,281,640	8,563,795	239,845,435	20,967,463	260,812,898
35					
36	\$ 2,513,582,619	\$ 463,733,574	\$ 2,977,316,193	\$ -	\$ 2,977,316,193
37					
38	9.20%		8.06%		8.76%
39					
40	RATE BASE:				
41	\$ 4,571,527,301	\$ 567,925,996	\$ 5,139,453,298		
42	(1,971,832,341)	(13,085,187)	(1,984,917,528)		
43	353,317,604	(48,376,550)	304,941,054		
44	(387,242,755)	(42,730,686)	(429,973,441)		
45	-	-	-		
46	(52,187,190)	-	(52,187,190)		
47	<u>\$ 2,513,582,619</u>	<u>\$ 463,733,574</u>	<u>\$ 2,977,316,193</u>		

48
49 (Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
RESTATING AND PRO FORMA ADJUSTMENTS

LINE NO.	UNCONTESTED	UNCONTESTED	UNCONTESTED	CONTESTED	UNCONTESTED	CONTESTED	UNCONTESTED	UNCONTESTED
	ACTUAL RESULTS OF OPERATIONS	TEMPERATURE NORMALIZATION 20.01	REVENUES & EXPENSES 20.02	POWER COSTS 20.03	FEDERAL INCOME TAX 20.04	TAX BENEFIT OF PRO FORMA INTEREST 20.05	CONSERVATION 20.06	BAD DEBTS 20.07
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS	\$ 1,397,539,936	\$ 11,954,453	\$ 303,116,963	\$ -	\$ -	\$ -	\$ -
3	SALES FROM RESALE-FIRM	350,901	5,605	122,117				
4	SALES TO OTHER UTILITIES	151,158,328			(142,081,018)			
5	OTHER OPERATING REVENUES	55,899,367		908,826	(20,621,550)			
6	TOTAL OPERATING REVENUES	\$ 1,604,948,532	\$ 11,960,058	\$ 304,147,906	\$ (162,702,568)	\$ -	\$ -	\$ -
7								
8	OPERATING REVENUE DEDUCTIONS:							
9								
10	POWER COSTS:							
11	FUEL	\$ 75,039,758	\$ -	\$ -	14,577,072	\$ -	\$ -	\$ -
12	PURCHASED AND INTERCHANGED	808,898,950			(75,817,930)			
13	WHEELING	43,994,427			9,913,467			
14	RESIDENTIAL EXCHANGE	(177,350,021)			177,350,021			
15	TOTAL PRODUCTION EXPENSES	\$ 750,583,114	\$ -	\$ -	126,022,629	\$ -	\$ -	\$ -
16								
17	OTHER POWER SUPPLY EXPENSES	\$ 53,185,137	\$ -	\$ -	9,808,390	\$ -	\$ -	\$ -
18	TRANSMISSION EXPENSE	3,786,749			257,787			
19	DISTRIBUTION EXPENSE	56,397,075						
20	CUSTOMER ACCTS EXPENSES	32,311,231	54,690	1,390,782				1,606,696
21	CUSTOMER SERVICE EXPENSES	9,266,102						
22	CONSERVATION AMORTIZATION	18,233,848					(18,233,848)	
23	ADMIN & GENERAL EXPENSE	64,934,552	22,724	577,881				
24	DEPRECIATION	129,900,123						
25	AMORTIZATION	24,582,050						
26	AMORTIZ OF PROPERTY GAIN/LOSS	7,937,131						
27	OTHER OPERATING EXPENSES	(2,317,679)						
28	FAS 133	911,373						
29	TAXES OTHER THAN INCOME TAXES	140,165,789	461,095	(34,215,282)	(37,225)			
30	INCOME TAXES	101,303,182	3,997,542	117,738,084	(104,563,952)	(21,216,124)	2,391,139	6,381,847
31	DEFERRED INCOME TAXES	(17,512,885)				17,030,311		(562,344)
32	TOTAL OPERATING REV. DEDUCT.	\$ 1,373,666,892	\$ 4,536,051	\$ 85,491,465	\$ 31,487,629	\$ (4,185,813)	\$ 2,391,139	\$ (11,852,001)
33								
34	NET OPERATING INCOME	\$ 231,281,640	\$ 7,424,007	\$ 218,656,441	\$ (194,190,197)	\$ 4,185,813	\$ (2,391,139)	\$ 11,852,001
35								
36	RATE BASE	\$ 2,513,582,619					\$ (28,822)	
37								
38	RATE OF RETURN	9.20%						
39								
40	RATE BASE:							
41	GROSS UTILITY PLANT IN SERVICE	\$ 4,571,527,301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
42	ACCUM DEPR AND AMORT	(1,971,832,341)						
43	DEFERRED DEBITS	353,317,604					(28,822)	
44	DEFERRED TAXES	(387,242,755)						
45	ALLOWANCE FOR WORKING CAPITAL	-						
46	OTHER	(52,187,190)						
47	TOTAL RATE BASE	\$ 2,513,582,619	\$ -	\$ -	\$ -	\$ -	\$ (28,822)	\$ -
48								

(Note) (Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
RESTATING AND PRO FORMA ADJUSTMENTS

LINE NO.	CONTESTED		UNCONTESTED	UNCONTESTED	UNCONTESTED	CONTESTED	UNCONTESTED	UNCONTESTED	UNCONTESTED	CONTESTED
	MISCELLANEOUS OPERATING EXPENSE	PROPERTY TAXES	HOPKINS RIDGE WIND PLANT	EXCISE TAX & FILING FEE	D&O INSURANCE	MONTANA ELECTRIC ENERGY TAX	INTEREST ON CUST DEPOSITS	SFAS 133	UNCONTESTED	RATE CASE EXPENSES
	20.08	20.09	20.10	20.11	20.12	20.13	20.14	20.15		20.16
1	OPERATING REVENUES									
2	SALES TO CUSTOMERS	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	SALES FROM RESALE-FIRM									
4	SALES TO OTHER UTILITIES									
5	OTHER OPERATING REVENUES									
6	TOTAL OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7										
8	OPERATING REVENUE DEDUCTIONS:									
9										
10	POWER COSTS:									
11	FUEL	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	PURCHASED AND INTERCHANGED									
13	WHEELING			1,653,530						
14	RESIDENTIAL EXCHANGE									
15	TOTAL PRODUCTION EXPENSES	\$ -	\$ -	1,653,530	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16										
17	OTHER POWER SUPPLY EXPENSES	\$ -	\$ -	4,729,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	TRANSMISSION EXPENSE									
19	DISTRIBUTION EXPENSE	983,429								
20	CUSTOMER ACCTS EXPENSES						227,184			
21	CUSTOMER SERVICE EXPENSES									
22	CONSERVATION AMORTIZATION									
23	ADMIN & GENERAL EXPENSE	(964)		195,041	45,737	20,447				(349,179)
24	DEPRECIATION	87,231		7,099,187						
25	AMORTIZATION	593,319								
26	AMORTIZ OF PROPERTY GAIN/LOSS									
27	OTHER OPERATING EXPENSES	2,057,240								
28	FAS 133							\$ (911,373)		
29	TAXES OTHER THAN INCOME TAXES	745,360	(589,513)	768,326	545,515		(13,165)			
30	INCOME TAXES	(1,562,965)	206,330	(5,055,779)	(206,938)	(7,156)	4,608		\$ 122,213	
31	DEFERRED INCOME TAXES							318,981		
32	TOTAL OPERATING REV. DEDUCT.	\$ 2,902,650	\$ (383,183)	\$ 9,389,305	\$ 384,314	\$ 13,291	\$ (8,557)	\$ 227,184	\$ (592,392)	\$ (226,966)
33										
34	NET OPERATING INCOME	\$ (2,902,650)	\$ 383,183	\$ (9,389,305)	\$ (384,314)	\$ (13,291)	\$ 8,557	\$ (227,184)	\$ 592,392	\$ 226,966
35										
36	RATE BASE	\$ 29,572,082	\$ -	\$ 147,154,987	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
37										
38	RATE OF RETURN									
39										
40	RATE BASE:									
41	GROSS UTILITY PLANT IN SERVICE	\$ 30,069,858	\$ -	\$ 177,479,678	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
42	ACCUM DEPR AND AMORT	\$ (497,777)	\$ -	\$ (13,226,358)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
43	DEFERRED DEBITS			8,742,500						
44	DEFERRED TAXES			(25,840,833)						
45	ALLOWANCE FOR WORKING CAPITAL									
46	OTHER									
47	TOTAL RATE BASE	\$ 29,572,082	\$ -	\$ 147,154,987	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
48										

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PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
RESTATING AND PRO FORMA ADJUSTMENTS

LINE NO.	UNCONTESTED	UNCONTESTED	UNCONTESTED	CONTESTED	CONTESTED	UNCONTESTED	UNCONTESTED	UNCONTESTED	UNCONTESTED	
	DEFERRED G/L ON PROPERTY SALES 20.17	PROPERTY & LIABILITY INS 20.18	PENSION PLAN 20.19	WAGE INCREASE 20.20	INVESTMENT PLAN 20.21	EMPLOYEE INSURANCE 20.22	MONTANA CORP LICENSE TAX 20.23	STORM DAMAGE 20.24	REGULATORY ASSETS & LIABILITIES 20.25	
1										
2										
3	\$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	
4										
5										
6	\$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	
7										
8										
9										
10										
11	\$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	(2,783,753)	
12				101,827					7,226,000	
13										
14										
15	\$	- \$	- \$	- \$	101,827	- \$	- \$	- \$	4,442,247	
16										
17	\$	- \$	- \$	- \$	475,978	- \$	- \$	- \$	-	
18				61,416				70,367		
19				1,315,409				3,400,410		
20				743,838						
21				96,650						
22										
23		444,359	3,947,338	846,988	152,948	1,030,188				
24										
25										
26								(3,166,751)		
27	27,921									
28										
29				222,582						
30	(9,772)	(155,526)	(1,381,568)	(1,352,641)	(53,532)	(360,566)	167,307	(106,409)	(1,554,786)	
31										
32	\$	18,149	\$ 288,833	\$ 2,565,770	\$ 2,512,047	\$ 99,416	\$ 669,622	\$ 167,307	\$ 197,617	\$ 2,887,461
33										
34	\$	(18,149)	\$ (288,833)	\$ (2,565,770)	\$ (2,512,047)	\$ (99,416)	\$ (669,622)	\$ (167,307)	\$ (197,617)	\$ (2,887,461)
35										
36									\$ (54,943,645)	
37										
38										
39										
40										
41	\$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	-	
42										
43									(54,943,645)	
44									-	
45										
46										
47	\$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	(54,943,645)

48
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PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005

RESTATING AND PRO FORMA ADJUSTMENTS

LINE NO.	CONTESTED	CONTESTED	UNCONTESTED	UNCONTESTED	UNCONTESTED	UNCONTESTED	CONTESTED	TOTAL ADJUSTMENTS	ADJUSTED RESULTS OF OPERATIONS			
	WILD HORSE WIND PLANT 20.26	INCENTIVE PAY 20.27	GENERAL OFFICE RELOCATION 20.28	OTHER AMORTIZATION 20.29	DEMAND RESPONSE PROGRAM 20.30	DEPRECIATION 20.31	PRODUCTION ADJUSTMENT 20.32					
1	OPERATING REVENUES											
2	SALES TO CUSTOMERS							\$ -	\$ 315,071,416	\$ 1,712,611,352		
3	SALES FROM RESALE-FIRM								127,722	478,623		
4	SALES TO OTHER UTILITIES								(142,081,018)	9,077,310		
5	OTHER OPERATING REVENUES								(19,712,724)	36,186,643		
6	TOTAL OPERATING REVENUES							\$ -	\$ 153,405,396	\$ 1,758,353,928		
7												
8	OPERATING REVENUE DEDUCTIONS:											
9												
10	POWER COSTS:											
11	FUEL							6,411	\$ 11,799,730	\$ 86,839,488		
12	PURCHASED AND INTERCHANGED							(248,869)	(68,778,949)	740,120,001		
13	2,621,721	(39,976)					(38,092)	14,150,625	58,145,052			
14	RESIDENTIAL EXCHANGE								177,350,021	-		
15	\$ 2,621,721	\$ (39,976)	\$ -	\$ -	\$ -	\$ -	(280,551)	\$ 134,521,427	\$ 885,104,541			
16												
17	\$ 9,921,354	\$ (116,002)					\$ (133,742)	\$ 24,684,978	\$ 77,870,115			
18	TRANSMISSION EXPENSE								369,362	4,156,111		
19	DISTRIBUTION EXPENSE								5,396,061	61,793,136		
20	CUSTOMER ACCTS EXPENSES								3,856,520	36,167,751		
21	CUSTOMER SERVICE EXPENSES							(7,793,764)	0	(7,727,470)	1,538,632	
22	CONSERVATION AMORTIZATION								(18,233,848)	-		
23	264,209	(316,322)	2,768,979					(30,077)	9,620,296	74,554,848		
24	15,066,967			(228,856)					-	(535,998)	21,488,530	151,388,653
25	AMORTIZATION							-	(27,014)	566,304	25,148,354	
26	AMORTIZ OF PROPERTY GAIN/LOSS							(13,318)	(3,180,069)	4,757,062		
27	OTHER OPERATING EXPENSES							-	2,085,161	(232,518)		
28	FAS 133								(911,373)	-		
29	2,457,440	(69,094)	(9,422)					(130,755)	(29,864,137)	110,301,652		
30	(10,616,092)	371,635	(885,745)	2,727,818	0					363,942	(15,179,432)	86,123,750
31	DEFERRED INCOME TAXES								17,349,292	(163,593)		
32	\$ 19,715,599	\$ (690,180)	\$ 1,644,955	\$ (5,065,947)	\$ 0	\$ -	(787,513)	\$ 144,841,601	\$ 1,518,508,493			
33												
34	\$ (19,715,599)	\$ 690,180	\$ (1,644,955)	\$ 5,065,947	\$ 0	\$ -	787,513	\$ 8,563,795	\$ 239,845,435			
35												
36	\$ 356,220,868	\$ (3,139,603)					\$ -	(11,102,293)	\$ 463,733,574	\$ 2,977,316,193		
37												
38	RATE OF RETURN									8.06%		
39												
40	RATE BASE:											
41	\$ 383,253,789			(6,857,933)					(16,019,396)	\$ 567,925,996	\$ 5,139,453,298	
42	(8,090,394)			2,804,020					5,925,322	(13,085,187)	(1,984,917,528)	
43	DEFERRED DEBITS							-	(2,146,583)	(48,376,550)	304,941,054	
44	(18,942,527)			914,310					1,138,364	(42,730,686)	(429,973,441)	
45	ALLOWANCE FOR WORKING CAPITAL								-	-		
46	OTHER								-	(52,187,190)		
47	\$ 356,220,868	\$ -	\$ (3,139,603)	\$ -	\$ -	\$ -	(11,102,293)	\$ 463,733,574	\$ 2,977,316,193			
48												

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**PUGET SOUND ENERGY-ELECTRIC
TEMPERATURE NORMALIZATION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE**NO. DESCRIPTION**

1	<u>TEMPERATURE NORMALIZATION ADJUSTMENT:</u>				
2		ACTUAL	TEMP ADJ	MWH	ADJ FOR LOSSES
3		<u>GPI MWH</u>	<u>GPI MWH</u>	<u>CHANGE</u>	<u>6.60%</u>
4	Oct-04	1,726,793	1,736,852	10,059	9,395
5	Nov-04	1,948,493	1,950,762	2,269	2,120
6	Dec-04	2,173,168	2,216,282	43,113	40,268
7	Jan-05	2,211,893	2,219,089	7,196	6,721
8	Feb-05	1,930,914	1,917,809	(13,105)	(12,240)
9	Mar-05	1,885,214	1,945,100	59,886	55,933
10	Apr-05	1,728,597	1,737,295	8,698	8,124
11	May-05	1,614,335	1,638,731	24,397	22,787
12	Jun-05	1,552,848	1,559,723	6,875	6,422
13	Jul-05	1,614,682	1,611,026	(3,656)	(3,414)
14	Aug-05	1,653,225	1,651,247	(1,978)	(1,847)
15	Sep-05	1,573,426	1,575,090	1,664	1,554
16		21,613,588	21,759,006	145,418	135,823
17					
18	REVENUE ADJUSTMENT:	Schedule 7		111,904	\$ 10,432,777
19		Schedule 24		4,765	383,981
20		Schedule 25		12,950	811,703
21		Schedule 26		1,527	89,455
22		Schedule 29		278	14,185
23		Schedule 31		783	42,116
24		Schedule 35		-	-
25		Schedule 43		3,104	161,996
26		Schedule 40		353	18,240
27		Firm Resale		159	5,605
28	INCREASE (DECREASE) SALES TO CUSTOMERS				\$ 11,960,058
29					
30	UNCOLLECTIBLES @			0.0045727	\$ 54,690
31	ANNUAL FILING FEE @			0.0019000	22,724
31	INCREASE (DECREASE) EXPENSES				77,414
32					
33	STATE UTILITY TAX @			0.0385529	\$ 461,095
34	INCREASE (DECREASE) TAXES OTHER				461,095
35					
36	INCREASE (DECREASE) INCOME				11,421,549
37					
38	INCREASE (DECREASE) FIT @			35%	3,997,542
39	INCREASE (DECREASE) NOI				\$ 7,424,007

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
REVENUES AND EXPENSES
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ADJUSTMENT
1	SALES TO CUSTOMERS:	
2	<u>RESTATING ADJUSTMENTS:</u>	
3	ADD BACK SCHEDULE 94 RESIDENTIAL/FARM CREDIT	\$ 185,649,299
4	REMOVE MUNICIPAL TAXES	(48,315,602)
5	REMOVE SCHEDULE 120 CONSERVATION RIDER REVENUE	(19,030,407)
6	OUT OF PERIOD CHARGES	69,987
7	REMOVE SCH 135 & 136 GREEN POWER REVENUE	(1,116,397)
8		
9		
10		-
11	SUBTOTAL RESTATING ADJUSTMENTS	<u>117,256,880</u>
12		
13	<u>PROFORMA ADJUSTMENTS:</u>	
14	PROFORMA POLE ATTACHMENT REVENUES	<i>432,854</i>
15	REMOVE PCORC INCREASE DOCKET 031725	\$ (23,716,925)
16	GRC PROFORMA INCREASE DOCKET 040640	52,628,111
17	PCORC PROFORMA INCREASE DOCKET 050870	165,576,433
18	PROFORMA UNBILLED REVENUE	(2,535,968)
19	LOW INCOME REVENUE	(7,949,401)
20	MISC. PROFORMA ADJUSTMENTS - SALES TO CUSTOMERS	1,424,979
21	MISC. PROFORMA ADJUSTMENTS - SALES FROM RESALE-FIRM	122,117
22	SUBTOTAL PROFORMA ADJUSTMENTS	<u><i>185,982,200</i></u>
23		
24	TOTAL INCREASE (DECREASE) SALES TO CUSTOMERS	\$ <i>303,239,080</i>
25		
26	OTHER OPERATING REVENUES:	
27		
28	REMOVE 1995 CONSERVATION TRUST INTEREST DISTRIBUTION	427,863
29	MISC. PROFORMA ADJUSTMENTS - SALES FROM RESALE-SPECIAL CONTRACT	<u>480,963</u>
30		
31	TOTAL INCREASE (DECREASE) OTHER OPERATING REVENUE	<u>908,826</u>
32		
33	TOTAL INCREASE (DECREASE) REVENUES	<i>304,147,906</i>
34		
35	UNCOLLECTIBLES @	0.0045727 \$ <i>1,390,782</i>
36	ANNUAL FILING FEE @	0.0019000 <i>577,881</i>
37	INCREASE (DECREASE) EXPENSES	<u><i>1,968,663</i></u>
38		
39	STATE UTILITY TAX @	0.0385529 \$ <i>11,725,784</i>
40	REMOVE MUNICIPAL TAX EXPENSED	<u>(45,941,066)</u>
41	INCREASE (DECREASE) TAXES OTHER	<u><i>(34,215,282)</i></u>
42		
43	INCREASE (DECREASE) INCOME	<i>336,394,525</i>
44		
45	INCREASE (DECREASE) FIT @	35% <i>117,738,084</i>
46	INCREASE (DECREASE) NOI	<u><u><i>\$ 218,656,441</i></u></u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
POWER COSTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ACTUAL	PROFORMA	INCREASE (DECREASE)
1 SALES FOR RESALE	\$ 151,158,328	\$ <i>9,077,310</i>	\$ <i>(142,081,018)</i>
2			
3 PURCHASES/SALES OF NON-CORE GAS	20,154,644	<i>499,969</i>	<i>(19,654,675)</i>
4 WHEELING FOR OTHERS	11,340,015	10,373,140	(966,875)
5	31,494,659	<i>10,873,109</i>	<i>(20,621,550)</i>
6			
7 TOTAL OPERATING REVENUES	182,652,987	<i>19,950,419</i>	<i>(162,702,568)</i>
8			
9 FUEL	\$ 72,975,508	\$ <i>87,552,580</i>	\$ <i>14,577,072</i>
10			
11 PURCHASED AND INTERCHANGED	788,255,330	<i>724,228,155</i>	<i>(64,027,175)</i>
12 RATE DISALLOWANCES FOR MARCH POINT 2 AND TENASKA	-	<i>(11,790,755)</i>	<i>(11,790,755)</i>
13 SUBTOTAL PURCHASED AND INTERCHANGED	\$ 788,255,330	\$ <i>712,437,400</i>	\$ <i>(75,817,930)</i>
14 WHEELING	43,994,427	53,907,894	9,913,467
15 SCH. 94 - RES./FARM CREDIT	(177,350,021)	-	177,350,021
16 TOTAL PRODUCTION EXPENSES	\$ 727,875,244	\$ <i>853,897,873</i>	\$ <i>126,022,629</i>
17 HYDRO AND OTHER POWER	53,185,137	<i>62,993,527</i>	<i>9,808,390</i>
18 TRANS. EXP. INCL. 500KV O&M	604,461	862,248	257,787
19			
20 TOTAL OPERATING EXPENSES	\$ 781,664,842	\$ <i>917,753,648</i>	\$ <i>136,088,806</i>
21			
22 INCREASE (DECREASE) OPERATING INCOME (LINE 7 - LINE 20)	\$ (599,011,855)	\$ <i>(897,803,229)</i>	\$ <i>(298,791,374)</i>
23			
24 REDUCTION TO STATE UTILITY TAX SAVINGS FOR LINE 4	3.85%		(37,225)
25 INCREASE (DECREASE) INCOME			\$ <i>(298,754,149)</i>
26 INCREASE (DECREASE) FIT @	35%		<i>(104,563,952)</i>
27 INCREASE (DECREASE) NOI			<i>\$ (194,190,197)</i>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
FEDERAL INCOME TAX
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT
1	TAXABLE INCOME	\$ 228,820,167
2		
3	FEDERAL INCOME TAX @ 35%	80,087,058
4	CURRENTLY PAYABLE	<u>\$ 80,087,058</u>
5		
6	DEFERRED FIT - DEBIT	\$ 25,315,261
7	DEFERRED FIT - CREDIT	(25,797,835)
8	DEFERRED FIT - INV TAX CREDIT, NET OF AMORT.	-
9	TOTAL RESTATED FIT	<u>\$ 79,604,484</u>
10		
11	FIT PER BOOKS:	
12	CURRENTLY PAYABLE	\$ 101,303,182
13	DEFERRED FIT - DEBIT	2,973,818
14	DEFERRED FIT - CREDIT	(20,486,703)
15	DEFERRED FIT - INV TAX CREDIT, NET OF AMORT.	-
16	TOTAL CHARGED TO EXPENSE	<u>\$ 83,790,297</u>
17		-
18	INCREASE(DECREASE) FIT	(21,216,124)
19	INCREASE(DECREASE) DEFERRED FIT	17,030,311
20	INCREASE(DECREASE) NOI	<u><u>\$ 4,185,813</u></u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
TAX BENEFIT OF PRO FORMA INTEREST
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT
1	RATE BASE	\$ 2,977,316,193
2	DEDUCTIBLE CWIP	86,855,581
3	NET RATE BASE	<u>\$ 3,064,171,774</u>
4		
5	WEIGHTED COST OF DEBT	3.41%
6	PROFORMA INTEREST	<u>\$ 104,488,257</u>
7		
8	<u>INTEREST EXPENSE ITEMS PER BOOKS:</u>	
9	INTEREST ON LONG TERM DEBT	\$ 103,115,872
10	INTEREST OF PREFERRED STOCK	58,376
11	AMORTIZATION OF DEBT DISCOUNT	
12	AND EXPENSE, NET OF PREMIUMS	3,057,999
13	OTHER INTEREST EXPENSE	5,315,021
14	LESS: INTEREST ON CUSTOMER DEPOSITS	<u>(227,184)</u>
15	CHARGED TO EXPENSE IN TEST YEAR	<u>111,320,084</u>
16		
17	INCREASE (DECREASE) INCOME	<u>\$ 6,831,827</u>
18		
19	INCREASE (DECREASE) FIT @	35% <u>2,391,139</u>
20	INCREASE (DECREASE) NOI	<u><u>\$ (2,391,139)</u></u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
CONSERVATION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT	ADJUSTMENT
1	<u>CONSERVATION RIDER AMORTIZATION</u>		
2	ACTUAL CONSERVATION RIDER AMORTIZATION	\$ 18,273,661	
3	RESTATED CONSERVATION RIDER AMORTIZATION	-	
4	INCREASE (DECREASE) EXPENSE	<u>(18,273,661)</u>	
5	INCREASE (DECREASE) OPERATING EXPENSE		\$ (18,273,661)
6			
7	<u>PROFORMA</u>		
8	ACTUAL WHOLESALE CONSERVATION AMORTIZATION	30,187	
9	RATE YEAR WHOLESALE CONSERVATION AMORTIZATION	-	
10	INCREASE (DECREASE) EXPENSE	<u>(30,187)</u>	
11	INCREASE (DECREASE) OPERATING EXPENSE		(30,187)
12			
13	<u>ONE TIME ADJUSTMENTS</u>		
14	CENTRALIA SALE ACCRUAL REVERSAL	(70,000)	
15	RESTATED CENTRALIA SALE ACCRUAL REVERSAL	-	
16	INCREASE (DECREASE) EXPENSE	<u>70,000</u>	
17	INCREASE (DECREASE) OPERATING EXPENSE		<u>70,000</u>
18			
19	TOTAL OPERATING EXPENSE		\$ (18,233,848)
20			
21	INCREASE (DECREASE) FIT	35%	\$ 6,381,847
22			
23	INCREASE (DECREASE) NOI		<u>\$ 11,852,001</u>
24			
25	<u>RATEBASE ADJUSTMENT</u>		
26	CONSERVATION WHOLESALE ACCOUNT 18230221		\$ 28,822
27	RATE YEAR CONSERVATION WHOLESALE ACCOUNT		-
28	RATEBASE ADJUSTMENT		<u>\$ (28,822)</u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
BAD DEBTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	YEAR	NET WRITEOFF'S	GROSS REVENUES	SALES FOR RESALE OTHER	SALES FOR RESALE FIRM	NET REVENUES	PERCENT WRITEOFF'S TO REVENUE
1	12 MOS ENDED 09/30/2001	\$ 7,000,498	\$ 2,967,912,476	\$ 1,462,978,699	\$ 24,744,688	\$ 1,480,189,089	0.4729462%
2	12 MOS ENDED 09/30/2002	\$ 6,795,240	\$ 1,404,554,208	\$ 152,227,671	\$ 945,576	\$ 1,251,380,961	0.5430193%
3	12 MOS ENDED 09/30/2004	\$ 4,803,571	\$ 1,418,771,663	\$ 68,519,491	\$ 361,720	\$ 1,349,890,452	0.3558490%
4	3-Yr Average of Net Write Off Rate						0.4572715%
5							
6	Test Period Revenues		\$ 1,604,948,532	\$ 151,158,328	\$ 350,901	\$ 1,453,439,303	
7							
8	PROFORMA BAD DEBT RATE					0.4572715%	
9	PROFORMA BAD DEBTS					\$ 6,646,164	
10							
11	UNCOLLECTIBLES CHARGED TO EXPENSE IN TEST YEAR					5,039,468	
12	INCREASE (DECREASE) EXPENSE					\$ 1,606,696	
13							
14	INCREASE (DECREASE) FIT					35%	(562,344)
15	INCREASE (DECREASE) NOI						\$ (1,044,352)

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
MISCELLANEOUS OPERATING EXPENSE
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ACTUAL	PROFORMA RESTATED	ADJUSTMENT
1 <u>OPERATING EXPENSES</u>			
2 AMORTIZATION OF DEFERRAL PURSUANT TO WUTC DOCKET NO. UE-051527	-	1,834,669	1,834,669
3 RECOVER NORMALIZED CARRYING COSTS RELATED TO LINE 2 ABOVE	-	222,571	222,571
4 AMORTIZATION OF BAKER LAKE SEISMIC COSTS	-	0	0
5 OREGON BACK TAXES	-	745,360	745,360
6 AMORTIZATION OF BAKER LAKE RELICENSING	-	593,319	593,319
7 TREE WATCH	1,016,571	2,000,000	983,429
8 NYSE PSE COMMON STOCK FEES	-	0	0
9 CWIP "IN SERVICE" BUT NOT TRANSFERRED TO PLANT - DEP EXP	-	87,231	87,231
10 REMOVE COSTS NOT CHARGEABLE ABOVE THE LINE	964	-	(964)
11 INCREASE (DECREASE) IN EXPENSE	\$ 1,017,535	\$ 5,483,149	\$ 4,465,615
12			
13 INCREASE(DECREASE) OPERATING EXPENSE			4,465,615
14 INCREASE(DECREASE) FIT @		35%	(1,562,965)
15			
16 INCREASE(DECREASE) NOI			\$ (2,902,650)
17			
18 <u>RATEBASE</u>			
19 CWIP "IN SERVICE" BUT NOT TRANSFERRED TO PLANT	-	3,370,522	3,370,522
20 CWIP "IN SERVICE" BUT NOT TRANSFERRED TO PLANT - ACC DEP	-	(52,788)	(52,788)
21 BAKER LAKE RELICENSING GROSS UTILITY PLANT (WUTC STAFF DR 307)	-	26,699,337	26,699,337
22 BAKER LAKE RELICENSING ACCUMULATED AMORTIZATION (AMA)	-	(444,989)	(444,989)
23			
24 TOTAL ADJUSTMENT TO RATEBASE	-		\$ 29,572,082

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
 PROPERTY TAXES
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
 GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	WASHINGTON	MONTANA	OREGON	TOTAL
1 RESTATED PROPERTY TAX	\$ 20,960,092	\$ 9,007,342	\$ 747,904	\$ 30,715,338
2 CHARGED TO EXPENSE IN TY	21,929,283	8,659,931	715,637	31,304,851
3 INCREASE(DECREASE) EXPENSE	\$ (969,191)	\$ 347,411	\$ 32,267	\$ (589,513)
4				
5 INCREASE(DECREASE) FIT @			35%	206,330
6				
7 INCREASE(DECREASE) NOI			\$	383,183

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
HOPKINS RIDGE WIND PLANT
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	TEST YEAR	PROFORMA	ADJUSTMENT
1 <u>HOPKINS RIDGE RATE BASE (AMA)</u>			
2 <u>UTILITY PLANT RATEBASE</u>			
3 PLANT BALANCE	\$ -	\$ 177,479,678	\$ 177,479,678
4 ACCUMULATED DEPRECIATION	-	<i>(13,226,358)</i>	<i>(13,226,358)</i>
5 DEFERRED FIT	-	<i>(25,840,833)</i>	<i>(25,840,833)</i>
6 TOTAL UTILITY PLANT RATEBASE	-	<i>138,412,487</i>	<i>138,412,487</i>
7			
8 <u>REGULATORY ASSET RATEBASE</u>			
9 HOPKINS RIDGE PREPAID TRANSMISSION	-	8,742,500	8,742,500
10 REGULATORY ASSET RATEBASE	-	8,742,500	8,742,500
11			
12 OVERALL INCREASE TO RATEBASE	\$ -	<i>147,154,987</i>	<i>147,154,987</i>
13			
14 <u>HOPKINS RIDGE O&M</u>			
15 DEPRECIATION EXPENSE ON UTILITY PLANT	-	<i>7,099,187</i>	<i>7,099,187</i>
16 AMORTIZATION OF PREPAID TRANSM REG ASSET	-	1,653,530	1,653,530
17 PROPERTY INSURANCE	-	195,041	195,041
18 PROPERTY TAXES	-	768,326	768,326
19 TOTAL O&M	-	9,716,084	9,716,084
20			
21 <u>POWER COST ASSOCIATED WITH HOPKINS RIDGE</u>			
22 565 WHEELING (INCLUDED IN ADJUSTMENT 4.03)	--	--	-
23 PRODUCTION O&M	-	4,729,000	4,729,000
24 TOTAL POWER COSTS	-	4,729,000	4,729,000
25			
26 INCREASE (DECREASE) OPERATING EXPENSES			\$ <i>14,445,084</i>
27			
28 INCREASE (DECREASE) FIT		35%	<i>(5,055,779)</i>
29			
30 INCREASE (DECREASE) NOI			\$ <i>(9,389,305)</i>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
EXCISE TAX & FILING FEE
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT
1	RESTATED EXCISE TAXES	\$ 56,660,232
2	CHARGED TO EXPENSE FOR TEST YEAR	56,114,717
3	INCREASE (DECREASE) EXCISE TAX	<u>\$ 545,515</u>
4		
5	RESTATED WUTC FILING FEE	\$ 2,872,262
6	CHARGED TO EXPENSE FOR TEST YEAR	2,826,525
7	INCREASE(DECREASE) WUTC FILING FEE	<u>\$ 45,737</u>
8		
9	INCREASE(DECREASE) EXPENSE	591,252
10		
11	INCREASE(DECREASE) FIT @	35% (206,938)
12	INCREASE(DECREASE) NOI	<u><u>\$ (384,314)</u></u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
D&O INSURANCE
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	RESTATED	ADJUSTMENT
1	D & O INS. CHG EXPENSE	\$ 1,123,513	\$ <i>1,143,960</i>	\$ <i>20,447</i>
2				
3	INCREASE (DECREASE) D&O EXPENSE	\$ 1,123,513	\$ <i>1,143,960</i>	\$ <i>20,447</i>
4				
5	INCREASE (DECREASE) EXPENSE			<i>20,447</i>
6				
7	INCREASE (DECREASE) FIT @		35%	<i>(7,156)</i>
8	INCREASE (DECREASE) NOI			<i>(13,291)</i>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
MONTANA ELECTRIC ENERGY TAX
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT
1	RESTATED KWH (COLSTRIP)	4,913,815,395
2	TAX RATE	<u>0.00035</u>
3		
4	RESTATED ENERGY TAX	1,719,835
5	CHARGED TO EXPENSE	<u>1,733,000</u>
6	INCREASE (DECREASE) EXPENSE	\$ (13,165)
7		
8	INCREASE (DECREASE) FIT @ 35%	<u>4,608</u>
9	INCREASE (DECREASE) NOI	<u><u>\$ 8,557</u></u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
INTEREST ON CUSTOMER DEPOSITS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE			AMOUNT
NO.	DESCRIPTION		
1	INTEREST EXPENSE FOR TEST YEAR	\$	227,184
2			
3	INCREASE (DECREASE) NOI	\$	<u>(227,184)</u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

PUGET SOUND ENERGY-ELECTRIC
SFAS 133
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005

RATE INCREASE

LINE NO.	ACTUAL	RESTATED	ADJUSTMENT
1 FAS 133 OPERATING EXPENSE	\$ 911,373	\$ -	\$ (911,373)
2			
3 INCREASE (DECREASE) IN EXPENSE	\$ 911,373	\$ -	\$ (911,373)
4			
5 INCREASE(DECREASE) OPERATING INCOME			911,373
6			
7 INCREASE (DECREASE) DEFERRED FIT @	35%		318,981
8			
9 INCREASE (DECREASE) NOI			<u>\$ 592,392</u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
RATE CASE EXPENSES
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	AMOUNT
1 DEFERRED EXPENDITURES TO BE AMORTIZED:	
2	
3 2001 GRC EXPENSES BALANCE @ 9/30/2005	\$ 609,277
4 LESS 2001 GRC AMORTIZATION FROM 10/01/05 - 12/31/06	315,000
5 REMAINING 2001 GRC DEFERRALS TO BE AMORTIZED	<u>294,277</u>
6	
7 ANNUAL AMORTIZATION (LINE 5 ÷ 2)	<i>147,139</i>
8 LESS TEST YEAR EXPENSE: 2001 GRC AMORTIZATION	466,695
9 INCREASE (DECREASE) EXPENSE	<u>(319,556) \$ (319,556)</u>
10	
11 2004 GRC EXPENSES BALANCE @ 9/30/05	\$ 868,449
12 LESS 2004 GRC AMORTIZATION FROM 10/01/05-12/31/06	449,198
13 REMAINING 2004 GRC DEFERRALS TO BE AMORTIZED	<u>419,251</u>
14	
15 ANNUAL AMORTIZATION (LINE 13 ÷ 2)	<i>209,626</i>
16 LESS TEST YEAR EXPENSE: 2004 GRC AMORTIZATION	209,626
17 INCREASE (DECREASE) EXPENSE	<u>0 \$ -</u>
18	
19	
20 EXPENSES TO BE NORMALIZED:	
21	
22 ESTIMATED GRC EXPENSES TO BE NORMALIZED	<u>\$ 2,161,000</u>
23	
24 ANNUAL NORMALIZATION (LINE 22 / 2 YEARS)	<i>1,080,500</i>
25 LESS TEST YEAR EXPENSE: GRC DIRECT CHARGES TO FERC 928	1,143,911
26 INCREASE (DECREASE) EXPENSE	<u>\$ (63,411)</u>
27	
28	
29 ESTIMATED PCORC EXPENSES TO BE NORMALIZED	<u>\$ 649,000</u>
30	
31 ANNUAL NORMALIZATION (LINE 29 / 2)	<i>324,500</i>
32 LESS TEST YEAR EXPENSE: PCORC DIRECT CHARGES	290,712
33 INCREASE (DECREASE) EXPENSE	<u>\$ 33,788</u>
34	
35	
36	
37 TOTAL INCREASE (DECREASE) EXPENSE	\$ (349,179)
38	
39 INCREASE(DECREASE) FIT @ 35%	<u>122,213</u>
40 INCREASE(DECREASE) NOI	<u>\$ 226,966</u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
DEFERRED GAINS/LOSSES ON PROPERTY SALES
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	AMOUNT
1 DEFERRED (GAIN) RECORDED SINCE UE-040641 @ 12/31/2006	\$ (7,860,926)
2 DEFERRED LOSS RECORDED SINCE UE-040641 @ 12/31/2006	1,598,780
3 TOTAL DEFERRED NET (GAIN) LOSS TO AMORTIZE	<u>\$ (6,262,146)</u>
4	
5 AMORTIZATION OF DEFERRED NET (GAIN) LOSS FOR RATE YEAR (Line 3/3years)	(2,087,382)
6	
7 AMORTIZATION OF DEFERRED NET (GAIN) LOSS FOR TEST YEAR	<u>(2,115,303)</u>
8	
9 INCREASE (DECREASE) EXPENSE (Line 5 + Line 7)	\$ 27,921
10	
11 INCREASE (DECREASE) FIT @ 35%	<u>(9,772)</u>
12	
13 INCREASE (DECREASE) NOI	<u><u>\$ (18,149)</u></u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
PROPERTY & LIABILITY INSURANCE
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA	ADJUSTMENT
1	PROPERTY INSURANCE EXPENSE	\$ 2,030,563	\$ 2,335,324	304,761
2	LIABILITY INSURANCE EXPENSE	1,606,549	1,746,147	139,598
3	INCREASE(DECREASE) EXPENSE	\$ 3,637,112	\$ 4,081,471	\$ 444,359
4				
5	INCREASE (DECREASE) OPERATING EXPENSE			444,359
6				
7	INCREASE (DECREASE) FIT @	35%		(155,526)
8	INCREASE (DECREASE) NOI		\$	(288,833)

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
PENSION PLAN
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	QUALIFIED RETIREMENT FUND	\$ (1,507,257)	\$ 2,542,831	\$ 4,050,088
2	SERP PLAN	2,388,025	2,285,275	\$ (102,750)
3	INCREASE(DECREASE) EXPENSE	<u>\$ 880,768</u>	<u>\$ 4,828,106</u>	<u>\$ 3,947,338</u>
4				
5	INCREASE(DECREASE) OPERATING EXPENSE			3,947,338
6				
7	INCREASE (DECREASE) FIT @	35%		<u>(1,381,568)</u>
8	INCREASE (DECREASE) NOI			<u><u>\$ (2,565,770)</u></u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
WAGE INCREASE
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	RATE YEAR	ADJUSTMENT
1	WAGES:			
2	PURCHASED POWER	\$ 2,073,868	\$ 2,175,695	\$ 101,827
3	OTHER POWER SUPPLY	6,524,478	<i>7,000,456</i>	<i>475,978</i>
4	TRANSMISSION	1,067,904	<i>1,129,320</i>	<i>61,416</i>
5	DISTRIBUTION	17,251,184	<i>18,566,593</i>	<i>1,315,409</i>
6	CUSTOMER ACCTS	9,537,912	<i>10,281,750</i>	<i>743,838</i>
7	CUSTOMER SERVICE	1,218,362	<i>1,293,474</i>	<i>75,112</i>
8	SALES	438,652	460,190	21,538
9	ADMIN. & GENERAL	16,487,043	<i>17,334,031</i>	<i>846,988</i>
10	TOTAL WAGE INCREASE	54,599,403	<i>58,241,509</i>	<i>3,642,106</i>
11				
12	PAYROLL TAXES	4,965,352	<i>5,187,934</i>	<i>222,582</i>
13	TOTAL WAGES & TAXES	59,564,755	<i>63,429,443</i>	<i>3,864,688</i>
14				
15	INCREASE (DECREASE) OPERATING EXPENSE			\$ 3,864,688
16	INCREASE (DECREASE) FIT @ 35%			<i>(1,352,641)</i>
17	INCREASE (DECREASE) NOI			<i>(2,512,047)</i>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
INVESTMENT PLAN
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION		AMOUNT
1	MANAGEMENT (INC. EXECUTIVES)		
2	INVESTMENT PLAN APPLICABLE TO MANAGEMENT	\$	2,872,044
3	RATE YEAR MANAGEMENT WAGE INCREASE	4.91%	141,017
4	TOTAL COMPANY CONTRIBUTION FOR MANAGEMENT		3,013,061
5			
6	IBEW		
7	INVESTMENT PLAN APPLICABLE TO IBEW		708,111
8	RATE YEAR IBEW WAGE INCREASE	8.63%	61,110
9	TOTAL COMPANY CONTRIBUTION FOR IBEW		769,221
10			
11	UA		
12	INVESTMENT PLAN APPLICABLE TO UA		628,385
13	RATE YEAR UA WAGE INCREASE	6.89%	43,296
14	TOTAL COMPANY CONTRIBUTION FOR UA		671,681
15			
16	TOTAL		
17	TOTAL PROFORMA COSTS (LN 4 + LN 9 + 14)		4,453,963
18	PRO FORMA COSTS APPLICABLE TO OPERATIONS	62.32%	2,775,710
19	CHARGED TO EXPENSE FOR YEAR ENDED 9/30/2005		2,622,762
20	INCREASE (DECREASE) EXPENSE		152,948
21			
22	INCREASE (DECREASE) FIT @	35%	(53,532)
23	INCREASE (DECREASE) NOI		(\$99,416)

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
EMPLOYEE INSURANCE
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT
1	<u>BENEFIT CONTRIBUTION:</u>	
2	SALARIED EMPLOYEES	\$ 6,164,462
3	UNION EMPLOYEES	5,915,225
4	PRO FORMA INSURANCE COSTS	<u>12,079,687</u>
5		
6	APPLICABLE TO OPERATIONS @ 62.32%	7,528,061
7	CHARGED TO EXPENSE 09/30/05	6,497,873
8	INCREASE(DECREASE) EXPENSE	<u>1,030,188</u>
9		
10	INCREASE(DECREASE) FIT @ 35%	<u>(360,566)</u>
11		
12	INCREASE(DECREASE) NOI	<u><u>\$ (669,622)</u></u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
MONTANA CORPORATE LICENSE TAX
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT
1	ESTIMATED FEDERAL CURRENT COMBINED TAXABLE	
2	INCOME AT SEPTEMBER 30, 2005	\$ 227,377,698
3	ADD: INCREASE TO PRE-TAX INCOME FROM TAX BENEFIT OF	
4	PROFORMA INTEREST ADJUSTMENT 20.05	<u>0</u>
5	INCOME SUBJECT TO APPORTIONMENT	<u>227,377,698</u>
6		
7	MONTANA APPORTIONMENT FACTOR	6.48%
8	MONTANA TAXABLE INCOME	<i>14,734,075</i>
9		
10	PROFORMA MONTANA CORP. LIC. TAX	6.75% <i>994,550</i>
11	CHARGED TO EXPENSE IN TEST YEAR	737,155
12		-
13	INCREASE (DECREASE) EXPENSE	<u>257,395</u>
14		
15	INCREASE (DECREASE) FIT @	35% <i>(90,088)</i>
16		-
17	INCREASE (DECREASE) NOI	<u><u>\$ (167,307)</u></u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
STORM DAMAGE
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT		
1	NORMAL STORMS	Transmission	Distribution	Total
2	ACTUAL O&M:			
3	TWELVE MONTHS ENDED 9/30/00	\$ 166,215	\$ 2,374,579	\$ 2,540,794
4	TWELVE MONTHS ENDED 9/30/01	310,116	3,785,706	4,095,822
5	TWELVE MONTHS ENDED 9/30/02	(4,894)	6,583,315	6,578,421
6	TWELVE MONTHS ENDED 9/30/03	6,615	5,325,797	5,332,412
7	TWELVE MONTHS ENDED 9/30/04	202,197	12,072,103	12,274,300
8	TWELVE MONTHS ENDED 9/30/05	51,609	1,947,808	1,999,417
9	TOTAL NORMAL STORMS	<u>731,858</u>	<u>32,089,308</u>	<u>32,821,166</u>
10				
11	SIX-YEAR AVERAGE STORM EXPENSE FOR RATE YEAR	121,976	5,348,218	5,470,194
12				
13	CHARGED TO EXPENSE FOR TEST YEAR ENDED 9/30/05:			
14	STORM DAMAGE EXPENSE (LINE 8)	<u>51,609</u>	<u>1,947,808</u>	<u>1,999,417</u>
15				
16	INCREASE (DECREASE) OPERATING EXPENSE	70,367	3,400,410	3,470,777
17				
18	CATASTROPHIC STORMS			
19	ACTUAL DEFERRED BALANCES:			
20	12/4/03 WIND STORM AT BEGINNING OF RATE YEAR (1/1/07)		8,789,840	
21				
22	THREE-YEAR AMORTIZATION FOR RATE YEAR (LINE 20/3 YEARS)		2,929,947	
23				
24	LESS CATASTROPHIC STORM AMORT (PER UE-040641) FOR TEST YEAR		<u>6,096,698</u>	
25				
26	INCREASE (DECREASE) OPERATING EXPENSE (LINE 22 - LINE 24)			<u>(3,166,751)</u>
27				
28	TOTAL INCREASE (DECREASE) OPERATING EXPENSE (LINE 16 + LINE 26)			304,026
29				
30	INCREASE (DECREASE) FIT @ 35% (LINE 28 X 35%)			<u>(106,409)</u>
31				
32	INCREASE (DECREASE) NOI			<u><u>\$ (197,617)</u></u>

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**PUGET SOUND ENERGY-ELECTRIC
REGULATORY ASSETS AND LIABILITIES
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	RATE YEAR	ADJUSTMENT
1	REGULATORY ASSETS/LIABS AMORTIZATION EXPENSE			
2	CABOT BUYOUT	\$ 2,064,250	\$ 3,078,000	\$ 1,013,750
3	TENASKA	17,117,000	24,343,000	7,226,000
4	BEP	3,526,620	3,526,620	-
5	WHITE RIVER PLANT COSTS	1,494,702	1,494,702	-
6	WHITE RIVER RELICENSING & CWIP	-	-	-
7	CANWEST	-	(3,797,503)	(3,797,503)
8	HOPKINS RIDGE PREPAID TRANSMISSION	----- INCLUDED IN ADJ. 20.10 -----		
9	TOTAL AMORTIZATION OF REGULATORY ASSETS/LIABS	<u>\$ 24,202,572</u>	<u>\$ 28,644,819</u>	<u>\$ 4,442,247</u>
10				
11	INCREASE (DECREASE) FIT		35%	<u>(1,554,786)</u>
12				
13	INCREASE (DECREASE) NOI			<u>\$ (2,887,461)</u>
14				
15				
16	RATE BASE ADJUSTMENT			
17	AMA OF REGULATORY ASSET/LIABILITY NET OF ACCUM AMORT AND DFIT			
18	CABOT	\$ 8,277,911	\$ 2,824,963	\$ (5,452,949)
19	TENASKA	186,285,686	142,925,042	(43,360,644)
20	BEP	29,405,053	24,007,413	(5,397,640)
21	WHITE RIVER PLANT COSTS	41,771,733	39,052,307	(2,719,426)
22	WHITE RIVER RELICENSING & CWIP	15,295,321	17,018,469	1,723,148
23	CANWEST	(2,732,242)	(2,468,377)	263,865
24	HOPKINS RIDGE PREPAID TRANSMISSION	----- INCLUDED IN ADJ. 20.10 -----		
25	TOTAL REGULATORY ASSETS/LIABS RATEBASE	<u>\$ 278,303,462</u>	<u>\$ 223,359,817</u>	<u>\$ (54,943,645)</u>

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PUGET SOUND ENERGY-ELECTRIC
WILD HORSE WIND PLANT
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	TEST YEAR	PROFORMA	ADJUSTMENT
1	<u>WILD HORSE RATE BASE</u>			
2	PLANT BALANCE	\$	- \$ 383,253,789	\$ 383,253,789
3	ACCUMULATED DEPRECIATION		(8,090,394)	(8,090,394)
4	DEFERRED TAX LIABILITY		(19,142,309)	(19,142,309)
5	DEFERRED TAX ASSET		199,782	199,782
6	WILD HORSE RATE BASE	\$	<u>356,220,868</u>	<u>\$ 356,220,868</u>
7				
8	<u>WILD HORSE OPERATING EXPENSES:</u>			
9	DEPRECIATION EXPENSE	\$	- \$ 15,066,967	\$ 15,066,967
10				
11	<u>POWER COSTS & PRODUCTION O&M RELATED TO WILD HORSE</u>			
12	565 - WHEELING		2,621,721	2,621,721
13	PRODUCTION O&M		9,921,354	9,921,354
14	PROPERTY INSURANCE		- 264,209	264,209
15	PLANT PROPERTY TAXES		- 2,457,440	2,457,440
16	TOTAL O&M & POWER COST		<u>15,264,724</u>	<u>15,264,724</u>
17				
18	TOTAL PRODUCTION O&M & OPERATING EXPENSE		\$ 30,331,691	\$ 30,331,691
19				
20	INCREASE (DECREASE) EXPENSE		30,331,691	30,331,691
21				
22	INCREASE (DECREASE) FIT @		35%	(10,616,092)
23	INCREASE (DECREASE) NOI			<u>\$ (19,715,599)</u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
INCENTIVE PAY
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA RESTATED	ADJUSTMENT
1	<u>OPERATING EXPENSES (RESTATED)</u>			
2	PURCHASED POWER	\$ 180,395	\$ <i>140,419</i>	\$ <i>(39,976)</i>
3	OTHER POWER SUPPLY	567,295	<i>451,293</i>	<i>(116,002)</i>
4	TRANSMISSION	93,046	<i>72,838</i>	<i>(20,208)</i>
5	DISTRIBUTION	1,500,127	<i>1,196,939</i>	<i>(303,188)</i>
6	CUSTOMER ACCTS	829,342	<i>662,672</i>	<i>(166,670)</i>
7	CUSTOMER SERVICE	105,389	<i>83,350</i>	<i>(22,039)</i>
8	SALES	37,978	<i>29,661</i>	<i>(8,317)</i>
9	ADMIN. & GENERAL	1,433,665	<i>1,117,343</i>	<i>(316,322)</i>
10	TOTAL INCENTIVE/MERIT PAY	\$ 4,747,236	\$ 3,754,515	\$ (992,721)
11				
12	PAYROLL TAXES ASSOC WITH MERIT PAY	330,408	261,314	(69,094)
13	INCREASE(DECREASE) EXPENSE	5,077,644	4,015,829	(1,061,815)
14				
15	INCREASE (DECREASE) OPERATING EXPENSE			(1,061,815)
16				
17	INCREASE (DECREASE) FIT @		35%	371,635
18	INCREASE (DECREASE) NOI		\$	<i>690,180</i>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
GENERAL OFFICE RELOCATION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ACTUAL	PROFORMA RESTATED	ADJUSTMENT
1 OPERATING EXPENSES (PROFORMA)			
2 GENERAL OFFICE BUILDING - PROPERTY TAXES	\$ 143,284	\$ -	\$ (143,284)
3 GENERAL OFFICE BUILDING - PROPERTY INSURANCE	5,107	-	(5,107)
4 GENERAL OFFICE BUILDING - DEPRECIATION (EOP)	114,075	-	(114,075)
5 CROSSROADS BUILDING - PROPERTY TAXES	30,850	-	(30,850)
6 CROSSROADS BUILDING - PROPERTY INSURANCE	1,082	-	(1,082)
7 CROSSROADS BUILDING - DEPRECIATION (EOP)	114,781	-	(114,781)
8	<u>\$ 409,179</u>	<u>\$0</u>	<u>\$ (409,179)</u>
9			
10 OPERATING EXPENSES (RESTATED)			
11 PSE(E) - LEASE COSTS	\$ 81,923	\$ 3,340,136	\$ 3,258,213
12 PSE(E) - LEASEHOLD IMPROVEMENTS AMORTIZATION (NOTE 1)	(74,598)	(559,487)	(484,889)
13 PSE(E) - PROPERTY TAXES	-	164,712	164,712
14 PSE(E) - PROPERTY INSURANCE	-	1,843	1,843
15	<u>\$ 7,325</u>	<u>\$ 2,947,205</u>	<u>\$ 2,939,880</u>
16			
17 INCREASE(DECREASE) IN EXPENSE	\$ 416,504	\$ 2,947,205	2,530,701
18			
19 INCREASE (DECREASE) FIT @		35%	(885,745)
20 INCREASE (DECREASE) NOI			<u>\$ (1,644,955)</u>
21			
22 ADJUSTMENT TO RATEBASE			
23 GENERAL OFFICE BUILDING	\$ 3,440,738	\$ -	\$ (3,440,738)
24 ACCUM DEPRECIATION	(1,210,052)	-	1,210,052
25 DEFERRED INCOME TAX	(574,277)	-	574,277
26 NET GENERAL OFFICE BUILDING	<u>\$ 1,656,409</u>	<u>\$ -</u>	<u>\$ (1,656,409)</u>
27			
28 CROSSROADS BUILDING	\$ 3,417,195	\$ -	\$ (3,417,195)
29 ACCUM DEPRECIATION	(1,593,968)	-	1,593,968
30 DEFERRED INCOME TAX	(340,033)	-	340,033
31 NET CROSSROADS BUILDING	<u>\$ 1,483,194</u>	<u>\$ -</u>	<u>\$ (1,483,194)</u>
32			
33 TOTAL ADJUSTMENT TO RATE BASE	<u>\$ 3,139,603</u>	<u>\$ -</u>	<u>\$ (3,139,603)</u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
OTHER AMORTIZATION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT
1	LOW INCOME AMORTIZATION FOR TEST YEAR	\$ 7,598,385
2	GREEN POWER TAGS PROGRAM - REMOVED IN POWER COST ADJUSTMENT PAGE 4.03	-
3	GREEN POWER PROGRAM EXPENSE AND NET REVENUE	195,379
4	AMORTIZATION / EXPENSES WITH OFFSETTING REVENUES ADJUSTED ON PAGE 4.02	<u>\$ 7,793,764</u>
5		
6	RESTATED AMOUNT	<u>-</u>
7		
8	INCREASE (DECREASE) OPERATING EXPENSES	(7,793,764)
9		
10	INCREASE(DECREASE) FIT @ 35%	<u>2,727,818</u>
11		
12	INCREASE(DECREASE) NET OPERATING INCOME	<u><u>\$ 5,065,947</u></u>

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY
DEMAND RESPONSE PROGRAM
FOR TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA	ADJUSTMENT
1	<u>OPERATING EXPENSES</u>			
2	DEMAND RESPONSE PROGRAM	\$0	\$0	\$0
3	TOTAL DEMAND RESPONSE	0	0	0
4				
5				
6	INCREASE(DECREASE) IN EXPENSE	\$0	\$0	\$0
7				
8	INCREASE (DECREASE) OPERATING EXPENSE			0
9	INCREASE (DECREASE) FIT @		35%	0
10				
11	INCREASE (DECREASE) NOI			\$0

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

**PUGET SOUND ENERGY-ELECTRIC
DEPRECIATION
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	RESTATED	ADJUSTMENT
1	<u>NET OPERATING INCOME:</u>			
2				
3	DEPRECIATION EXPENSE (FERC 403)	\$ 129,657,905	\$ 129,657,905	\$ -
4				
5	AMORTIZATION EXPENSE:			
6	WUTC AFUDC PLANT ACQUISITION ADJUSTMENT	1,255,849	1,255,849	-
7				
8	INCREASE (DECREASE) NET OPERATING INCOME	130,913,754	130,913,754	\$ -
9				
10	INCREASE (DECREASE) FIT @		35%	-
11	INCREASE (DECREASE) NOI		\$	-
12				
13				
14				
15	ADJUST RATE BASE FOR LINE 8			
16	UTILITY PLANT IN SERVICE (50% x LINE 3)			\$ -
17	DEFERRED DEBITS (50% X LINE 6)			-
18	TOTAL ADJUSTMENT TO RATEBASE		50%	-

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.

PUGET SOUND ENERGY-ELECTRIC
PRODUCTION ADJUSTMENT
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION 0.891%	FIT 35%
1	<u>O&M ON PRODUCTION PROPERTY</u>			
2	PRODUCTION WAGE INCREASE AND INCENTIVE:			
3	PURCHASED POWER	\$ 61,851	\$ (551)	\$ 193
4	OTHER POWER SUPPLY	359,976	(3,207)	1,123
5	TOTAL PRODUCTION WAGE INCREASE	<u>421,827</u>	<u>(3,758)</u>	<u>1,316</u>
6				
7	WIND PLANT POWER COSTS AND PRODUCTION O&M:			
8	565 - WHEELING	2,621,721	(23,360)	8,176
9	PRODUCTION O&M	14,650,354	(130,535)	45,687
10	TOTAL WILD HORSE POWER COSTS AND PRODUCTION O&M	<u>17,272,075</u>	<u>(153,894)</u>	<u>53,863</u>
11				
12	ADMIN & GENERAL EXPENSES			
13	PAYROLL OVERHEADS	1,087,587	(9,690)	3,392
14	PROPERTY INSURANCE	2,288,086	(20,387)	7,135
15	TOTAL ADMIN & GENERAL EXPENSES	<u>3,375,673</u>	<u>(30,077)</u>	<u>10,527</u>
16				
17	DEPRECIATION / AMORTIZATION:			
18	DEPRECIATION	60,156,922	(535,998)	149,654
19	AMORTIZATION (OTHER THAN REGULATORY ASSETS/LIAB)	3,031,895	(27,014)	8,333
20	TOTAL DEPRECIATION AND AMORTIZATION (FERC 403)	<u>63,188,817</u>	<u>(563,012)</u>	<u>157,986</u>
21	TAXES OTHER-PRODUCTION PROPERTY:			
22	PROPERTY TAXES - WASHINGTON	6,575,857	(58,591)	20,507
23	PROPERTY TAXES - MONTANA	5,848,043	(52,106)	18,237
24	ELECTRIC ENERGY TAX	1,719,835	(15,324)	5,363
25	PAYROLL TAXES	531,302	(4,734)	1,657
26	TOTAL TAXES OTHER	<u>14,675,037</u>	<u>(130,755)</u>	<u>45,764</u>
27				
28	<u>O&M ON REGULATORY ASSETS:</u>			
29	CABOT	\$ 3,078,000	(27,425)	9,599
30	TENASKA	24,343,000	(216,896)	75,914
31	BEP	3,526,620	(31,422)	10,998
32	WHITE RIVER PLANT COSTS	1,494,702	(13,318)	4,661
33	WHITE RIVER RELICENSING & CWIP	-	-	-
34	CANWEST	(3,797,503)	33,836	(11,843)
35	HOPKINS RIDGE PREPAID TRANSMISSION	1,653,530	(14,733)	5,157
36	TOTAL ADJUSTMENT TO O&M ON REGULATORY ASSETS	<u>\$ 30,298,349</u>	<u>\$ (269,958)</u>	<u>\$ 94,486</u>
37	INCREASE(DECREASE) EXPENSE		(1,151,455)	
38	INCREASE(DECREASE) FIT			363,942
39	INCREASE(DECREASE) NOI			<u>\$ 787,513</u>
40				
41	<u>PRODUCTION PROPERTY RATE BASE:</u>			
42	DEPRECIABLE PRODUCTION PROPERTY	\$ 1,697,599,545	\$ (15,125,612)	
43	LESS PRODUCTION PROPERTY ACCUM DEPR.	(662,196,258)	5,900,169	
44	NON-DEPRECIABLE PRODUCTION PROPERTY	53,665,604	(478,161)	
45	LESS PRODUCTION PROPERTY ACCUM AMORT.	(2,822,976)	25,153	
46	COLSTRIP COMMON FERC ADJUSTMENT	6,809,639	(60,674)	
47	COLSTRIP DEFERRED DEPRECIATION FERC ADJ.	2,006,346	(17,877)	
48	ENCOGEN ACQUISITION ADJUSTMENT	46,646,833	(415,623)	
49	NET PRODUCTION PROPERTY	<u>1,141,708,732</u>	<u>(10,172,625)</u>	
50	DEDUCT:			
51	LIBR. DEPREC. PRE 1981 (AMA)	(669,177)	5,962	
52	LIBR. DEPREC. POST 1980 (AMA)	(123,042,393)	1,096,308	
53	OTHER DEF. TAXES (AMA)	(4,050,958)	36,094	
54	SUBTOTAL	<u>(127,762,528)</u>	<u>1,138,364</u>	
55				
56	ADJUSTMENT TO PRODUCTION RATE BASE	<u>\$ 1,013,946,204</u>	<u>\$ (9,034,261)</u>	<u>\$ 1,004,911,943</u>
57				
58	<u>REGULATORY ASSETS RATE BASE:</u>			
59	CABOT	2,824,963	(25,170)	
60	TENASKA	142,925,042	(1,273,462)	
61	BEP	24,007,413	(213,906)	
62	WHITE RIVER PLANT COSTS	39,052,307	(347,956)	
63	WHITE RIVER RELICENSING & CWIP	17,018,469	(151,635)	
64	CANWEST	(2,468,377)	21,993	
65	HOPKINS RIDGE PREPAID TRANSMISSION	8,742,500	(77,896)	
66				
67	ADJUSTMENT TO REGULATORY ASSETS RATE BASE	<u>\$ 232,102,317</u>	<u>\$ (2,068,032)</u>	<u>\$ 230,034,285</u>
68				
69	TOTAL ADJUSTMENT TO RATEBASE (LINE 56 + LINE 67)		<u>\$ (11,102,293)</u>	

(Note) Amounts presented in bold italic type have changed since the July 10, 2006 revised filing.