

**EXHIBIT NO. ___(JHS-22C)
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**

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

**REDACTED
VERSION**

AUGUST 23, 2006

Exhibit A-1 Power Cost Rate

Row		<u>Test Year</u>			
3	Regulatory Assets (Variable)	\$	230,034,285		
4	Transmission Rate Base (Fixed)		113,206,055		
5	Production Rate Base (Fixed)		1,004,911,943		
6			\$ 1,348,152,283		Production
7	Net of tax rate of return		7.57%		Factor
8					0.99109
9					Rate Year
10	Regulatory Asset Recovery (on Row 3)	\$	26,790,147	\$	1.317 (c)
11	Fixed Asset Recovery Other (on Row 4)		13,184,151	\$	0.648 (a)
12	Fixed Asset Recovery-Prod Factored (on Row 5)		117,033,591	\$	5.754 (a)
13	501-Steam Fuel		51,778,337	\$	2.546 (c)
14	555-Purchased power		717,267,461	\$	35.265 (c)
14a	Rate Disallowances for March Point 2 & Tenaska		(11,790,755)	\$	(0.580) (c)
15	557-Other Power Exp		7,021,994	\$	0.345 (a)
15a	Payroll Overheads - Worker's Comp		1,077,896	\$	0.053 (a)
15b	Property Insurance		2,267,699	\$	0.111 (a)
15c	Montana Electric Energy Tax		1,704,512	\$	0.084 (a)
15d	Payroll Taxes on Production Wages		526,568	\$	0.026 (a)
16	547-Fuel		35,774,243	\$	1.759 (c)
17	565-Wheeling		56,506,255	\$	2.778 (c)
18	Variable Transmission Income		(3,869,746)	\$	(0.190) (c)
19	Hydro and Other Pwr.		77,870,115	\$	3.829 (a)
20	447-Sales to Others		(9,077,310)	\$	(0.446) (c)
21	456-Subaccounts 00012 & 00018 and 00035 & 00036		(499,969)	\$	(0.025) (c)
22	Transmission Exp - 500KV		862,248	\$	0.042 (a)
23	Depreciation & Amort -Production (FERC 403)		62,625,804	\$	3.079 (a)
24	Depreciation-Transmission		5,109,174	\$	0.251 (a)
25	Amortization-Production Reg Assets		30,028,391	\$	1.476 (c)
26	Property Taxes-Production		12,313,203	\$	0.605 (a)
27	Property Taxes-Transmission		4,022,759	\$	0.198 (a)
28	Subtotal & Baseline Rate		\$ 1,198,526,767	\$ 58.925	(b)
29	Revenue Sensitive Items		0.9549744		
30			\$ 1,255,035,513		
31	Test Year DELIVERED Load (MWH's)		20,339,227		<-- includes Firm Wholesale
32					
33					
34					
35					
36					
37	Power Cost in Rates with Revenue Sensitive				
38	Items (the adjusted baseline)	\$	58.925	\$	61.703
39	sum of (a) = Fixed Rate Component	\$	15.025	\$	15.733
40	(b) = Power Cost Rate	\$	58.925	\$	61.703
41	sum of (c) = Variable Power Rate Component	\$	43.900	\$	45.970

(Note) Amounts presented in bold italic type have changed since the July 7, 2006 revised filing.

Exhibit A-2 Transmission Rate Base

Row			Plant AMA 9/30/2005	AMA Accum Deprec/Amort	Net	Annualized Depreciation
7						
8						
6		TRANS - COLSTRIP 1 & 2				
7	E350	100428 Land and Land Rights	\$ 10,247	\$ -	\$ 10,247	\$ -
8	E351	100127 Easements	685,927	(328,174)	357,753	17,011
9	E353	100136 Station Equipment	1,231,131	(809,116)	422,015	34,964
10	E354	100145 Towers & Fixtures	14,474,343	(7,330,817)	7,143,526	374,889
11	E355	100149 Poles & Fixtures	49,007	(43,744)	5,263	774
12	E356	100157 OH Conductors & Devices	13,158,153	(7,143,515)	6,014,638	369,744
13	E359	100170 Roads & Trails	113,968	(54,580)	59,388	2,872
14		TOTAL COLSTRIP 1&2 TRANSMISSION	29,722,776	(15,709,946)	14,012,830	800,254
15						
16		TRANS - COLSTRIP 3 & 4				
17	E351	100128 Easements	1,071,124	(498,101)	573,023	27,314
18	E352	100132 Structures & Improvements	496,711	(235,088)	261,623	12,132
19	E353	100137 Station Equipment	17,948,341	(8,791,003)	9,157,338	586,329
20	E354	100146 Towers & Fixtures	20,492,882	(10,042,410)	10,450,472	543,826
21	E355	100150 Poles & Fixtures	88,692	(50,835)	37,857	2,386
22	E356	100158 OH Conductors & Devices	19,991,226	(10,587,643)	9,403,583	571,749
23	E359	100171 Roads & Trails	341,015	(160,200)	180,815	8,730
24		TOTAL COLSTRIP 3&4 TRANSMISSION	60,429,991	(30,365,280)	30,064,711	1,752,466
25						
26		TRANS - 3RD NW-SW INTERTIE				
27	E350	100430 Land and Land Rights	1,769,178	-	1,769,178	-
28	E352	100134 Structures & Improvements	1,276,264	(274,257)	1,002,007	22,845
29	E353	100143 Station Equipment	31,157,075	(8,339,518)	22,817,557	716,613
30	E354	100147 Towers & Fixtures	22,781,417	(4,958,160)	17,823,257	430,569
31	E355	100649 Poles & Fixtures	204,200	(40,881)	163,319	5,268
32	E356	100164 OH Conductors & Devices	23,458,256	(6,895,149)	16,563,107	609,915
33	E356	100437 OH Conductors & Devices	206	(32)	174	5
34	E359	100174 Roads & Trails	59,215	(6,495)	52,720	628
35		TOTAL 3RD NW-SW INTERTIE	80,705,811	(20,514,492)	60,191,319	1,785,843
36						
37		TRANS - NORTHERN INTERTIE				
38	E350	100881 Land and Land Rights	30,604	-	30,604	-
39	E354	100879 Towers & Fixtures-Whatcom	5,744,097	(956,614)	4,787,483	106,840
40	E355	100878 Poles & Fixtures-Whatcom	11,219	(3,305)	7,914	289
41	E356	100877 OH Conductors & Devices-Whatcor	7,460,099	(1,672,921)	5,787,178	193,963
42	E355	100647 Poles & Fixtures-Skagit	3,398,685	(767,764)	2,630,921	87,686
43	E356	100648 OH Conductors & Devices-Skagit	5,142,699	(1,020,137)	4,122,562	133,710
44		TOTAL NORTHERN INTERTIE	21,787,403	(4,420,741)	17,366,662	522,488
45						
46						
47		Total Transmission	\$ 192,645,981	\$ (71,010,459)	\$ 121,635,522	\$ 4,861,051
48		Accumulated Depreciation (AMA)	(71,010,459)			
49		Deferred Taxes (AMA)	(13,194,608)			
50		Transmission portion of:				
51		Colstrip Common FERC Adj, net of accum amort	4,101,699			213,630
52		Colstrip Def Depr FERC Adj, net of accum amort	663,442			34,493
53						
54		Total Transmission Rate Base	\$ 113,206,055			\$ 5,109,174

Exhibit A-3 Colstrip Fixed Costs (Page 1 of 2)

Row	Revenue Requirement for Colstrip	
6	Plant	685,685,332
7	Accumulated Depreciation	(390,462,218)
8	Deferred Taxes at 9/30/2003	(65,389,156)
9	Net Plant	229,833,958
10	Rate of Return (net of Tax)	7.57%
11	Revenue Requirement after tax	17,398,431
12	Plant Revenue Requirement	26,766,816 (Adjusted for federal tax)
13	Expenses	55,743,082
14	Total Revenue Requirement	82,509,898 (Before revenue sensitive items)

Support for Revenue Requirement - Ratebase

FERC	DESCRIPTION	30-Sep-04	30-Sep-05	13 MONTH AMA	ANNUITY RATE	ANNUALIZED DEPRECIATION	ACUMM. DEPR. 09/30/2005
18	COLSTRIP #1						
17	E311 Structures & Improvements	7,404,108	7,372,745	7,379,192	3.03%	223,590	(4,421,280)
20	E312 Boiler Plant Equipment	52,330,034	58,845,150	54,774,956	3.12%	1,708,979	(36,229,045)
21	E314 Turbo Generating Units	14,755,278	14,969,912	14,892,838	3.29%	489,974	(9,142,691)
22	E315 Accessory Electric Equipment	7,152,369	7,153,656	7,153,283	2.71%	193,854	(5,233,999)
23	E316 Misc. Power Plant Equipment	496,853	537,632	526,541	3.87%	20,377	(298,785)
24	TOTAL	82,138,642	88,879,094	84,726,810	3.11%	2,636,774	(55,325,800)
25	COLSTRIP #2						
26	E311 Structures & Improvements	5,730,076	5,727,592	5,728,023	3.06%	175,278	(4,045,437)
25	E312 Boiler Plant Equipment	46,840,522	46,553,042	46,537,700	3.05%	1,419,400	(30,518,549)
28	E314 Turbo Generating Units	14,480,769	14,323,040	14,314,565	3.26%	466,655	(8,318,739)
29	E315 Accessory Electric Equipment	5,304,326	5,061,164	5,111,718	2.69%	137,505	(3,107,857)
30	E316 Misc. Power Plant Equipment	518,105	562,410	550,585	3.61%	19,876	(298,108)
31	TOTAL	72,873,798	72,227,249	72,242,591	3.07%	2,218,714	(46,288,690)
32	COLSTRIP 1 & 2 COMMON						
33	E311 Structures & Improvements	31,473,984	31,359,809	31,383,595	3.16%	991,722	(22,516,690)
34	E312 Boiler Plant Equipment	8,354,764	8,030,614	8,098,146	3.18%	257,521	(6,033,870)
33	E314 Turbo Generating Units	3,918,858	3,918,858	3,918,858	3.31%	129,714	(2,914,004)
36	E315 Accessory Electric Equipment	2,420,179	2,379,882	2,388,277	3.07%	73,320	(1,595,736)
37	E316 Misc. Power Plant Equipment	6,365,234	6,365,234	6,365,234	3.82%	243,152	(4,001,768)
38	E317 Asset Retirement Obligation	540,097	540,097	540,097	0.00%	-	(401,214)
39	TOTAL	53,073,116	52,594,494	52,694,207	3.22%	1,695,429	(37,463,282)
40	COLSTRIP 3						
41	E311 Structures & Improvements	28,988,443	28,976,803	28,979,169	2.45%	709,990	(17,082,932)
42	E312 Boiler Plant Equipment	119,104,734	120,861,355	119,259,726	2.68%	3,196,161	(72,579,648)
43	E314 Turbo Generating Units	37,846,094	38,223,363	38,124,264	2.97%	1,132,291	(18,249,215)
44	E315 Accessory Electric Equipment	6,466,260	6,466,260	6,466,260	2.47%	159,717	(3,543,352)
45	E316 Misc. Power Plant Equipment	502,407	531,119	523,297	2.86%	14,966	(261,991)
46	TOTAL	192,907,938	195,058,900	193,352,716	2.70%	5,213,125	(111,717,138)
47	COLSTRIP 4						
48	E311 Structures & Improvements	26,558,346	26,546,706	26,549,072	2.54%	674,346	(14,408,437)
49	E312 Boiler Plant Equipment	105,422,962	105,620,134	105,567,131	2.75%	2,903,096	(55,979,740)
49	E314 Turbo Generating Units	32,479,545	33,040,130	32,872,602	2.94%	966,454	(14,524,657)
51	E315 Accessory Electric Equipment	5,660,702	5,660,702	5,660,702	2.52%	142,650	(2,761,989)
52	E316 Misc. Power Plant Equipment	700,012	728,727	720,904	2.79%	20,113	(354,593)
53	TOTAL	170,821,567	171,596,400	171,370,411	2.75%	4,706,659	(88,029,417)
54	COLSTRIP 3 & 4 COMMON						
55	E311 Structures & Improvements	70,723,992	70,625,143	70,674,528	2.33%	1,646,717	(41,266,676)
56	E312 Boiler Plant Equipment	20,359,928	19,413,895	19,610,986	2.48%	486,352	(11,412,510)
57	E314 Turbo Generating Units	277,420	277,420	277,420	2.62%	7,268	(156,203)
57	E315 Accessory Electric Equipment	7,748,971	7,669,926	7,686,394	2.31%	177,556	(4,098,397)
59	E316 Misc. Power Plant Equipment	4,725,430	4,725,430	4,725,430	2.79%	131,839	(2,420,718)
60	E317 Asset Retirement Obligation	333,978	333,978	333,978	0.00%	-	(197,349)
61	TOTAL	104,169,719	103,045,792	103,308,736	2.37%	2,449,732	(59,551,852)
62	COLSTRIP 1-4 COMMON						
63	E316 Misc. Power Plant Equip.	251,534	251,534	251,534	2.46%	6,188	(149,670)
64	TOTAL	251,534	251,534	251,534	2.46%	6,188	(149,670)
65							
66	Subtotal before Colstrip FERC Adjustments (Line 63 + 65)	676,236,313	683,653,463	677,947,005	2.79%	18,926,621	(398,525,849)
67	ARO - Electric Colstrip 1-4 (Acct: 23001021 - 1031) Adj (AMA is Net of Accum. Amort.)			(1,741,100)		(61,406)	
68	Colstrip Common FERC Adj. (AMA is Net of Accum. Amort.)			6,809,639		354,669	
69	Colstrip Def Depr FERC Adj. (AMA is Net of Accum. Amort.)			2,669,788		104,311	
70	Total Plant and Acc. Deprec.			685,685,332	2.82%	19,324,194	(398,525,849)
71							
72	AMA Adj. to Accum Depr.						8,063,631
73	Totals			685,685,332	2.82%	19,324,194	(390,462,218)
74							

Exhibit A-3 Colstrip Fixed Costs (Page 2 of 2)

Row	Order	Description	Amount before Prod. Adj.
83			
84			
85			
86		Support for Revenue Requirement - Expenses	
87			
88			
89	50004011	1&2 Sup & Eng - Steam Ope	XXXXXXXX
90	50004012	1&2 Sup & Eng - Steam Ope	XXXXXXXX
91	50005011	3&4 Sup & Eng - Steam Ope	XXXXXXXX
92	50005012	3&4 Sup & Eng - Steam Ope	XXXXXXXX
93	50204001	1&2 Steam Exp - Steam Gen Op	XXXXXXXX
94	50205001	3&4 Steam Exp - Steam Gen Op	XXXXXXXX
95	50504001	1&2 Elec Exp - Steam Gen	XXXXXXXX
96	50505001	3&4 Elec Exp - Steam Gen	XXXXXXXX
97	50604001	1&2 Misc Exp - Steam Gen	XXXXXXXX
98	50605001	3&4 Misc Exp - Steam Gen	XXXXXXXX
99	50605002	3&4 Steam - Housing	XXXXXXXX
100	50704001	1&2 Rents - Steam Gen Oper	XXXXXXXX
101	50705001	3&4 Rents - Steam Gen Oper	XXXXXXXX
102	51004001	1&2 Maint Supv - Steam Gen	XXXXXXXX
103	51005001	3&4 Maint Supv - Steam Gen	XXXXXXXX
104	51104001	1&2 Maint of Struct - Stm Gen	XXXXXXXX
105	51105001	3&4 Maint of Struct - Stm Gen	XXXXXXXX
106	51204001	1&2 Maint of Boiler - Stm Gen	XXXXXXXX
107	51205001	3&4 Maint of Boiler - Stm Gen	XXXXXXXX
108	51304001	1&2 Maint of E Plant - Stm G	XXXXXXXX
109	51305001	3&4 Maint of E Plant - Stm G	XXXXXXXX
110	51404001	1&2 Maint of Misc - Stm Gen	XXXXXXXX
111	51405001	3&4 Maint of Misc - Stm Gen	XXXXXXXX
		Subtotal on Orders	25,691,710
113		Property Taxes-Montana	9,007,342
114		Electric Energy Tax	1,719,835
115	403xxxxx	Depreciation and Amortization	19,324,194
116			<u>\$ 55,743,082</u>

**REDACTED
VERSION**

**PUGET SOUND ENERGY
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:			
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&	<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	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 & CWIF	-	-	-
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		<i>(1,151,455)</i>	
38 INCREASE(DECREASE) FIT			<u>363,942</u>
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.	<i>(662,196,258)</i>	<i>5,900,169</i>	
44 NON-DEPRECIABLE PRODUCTION PROPERTY	<i>53,665,604</i>	<i>(478,161)</i>	
45 LESS PRODUCTION PROPERTY ACCUM AMORT.	<i>(2,822,976)</i>	<i>25,153</i>	
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 (EOP)	(669,177)	5,962	
52 LIBR. DEPREC. POST 1980 (EOP)	<i>(123,042,393)</i>	<i>1,096,308</i>	
53 OTHER DEF. TAXES (EOP)	(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 & CWIF	17,018,469	(151,635)	
64 CANWEST	(2,468,377)	21,993	
65 HOPKINS RIDGE PREPAID TRANSMISSION	<u>8,742,500</u>	<u>(77,896)</u>	
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 7, 2006 revised filing.

**PUGET SOUND ENERGY
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	\$ 9,077,310	\$ (142,081,018)
2				
3	PURCHASES/SALES OF NON-CORE GAS	20,154,644	499,969	(19,654,675)
4	WHEELING FOR OTHERS	11,340,015	10,373,140	(966,875)
5		31,494,659	10,873,109	(20,621,550)
6				
7	TOTAL OPERATING REVENUES	182,652,987	19,950,419	(162,702,568)
8				
9	FUEL	\$ 72,975,508	\$ 87,552,580	\$ 14,577,072
10				
11	PURCHASED AND INTERCHANGED	788,255,330	724,228,155	(64,027,175)
12	RATE DISALLOWANCES FOR MARCH POIN	-	(11,790,755)	(11,790,755)
13	SUBTOTAL PURCHASED AND INTERCHAN	\$ 788,255,330	\$ 712,437,400	\$ (75,817,930)
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	\$ 853,897,873	\$ 126,022,629
17	HYDRO AND OTHER POWER	53,185,137	62,993,527	9,808,390
18	TRANS. EXP. INCL. 500KV O&M	604,461	862,248	257,787
19				
20	TOTAL OPERATING EXPENSES	\$ 781,664,842	\$ 917,753,648	\$ 136,088,806
21				
22	INCREASE (DECREASE) OPERATING INCOM	\$ (599,011,855)	\$ (897,803,229)	\$ (298,791,374)
23				
24	REDUCTION TO STATE UTILITY TAX SAVI	3.85%		(37,225)
25	INCREASE (DECREASE) INCOME			\$ (298,754,149)
26	INCREASE (DECREASE) FIT @	35%		(104,563,952)
27	INCREASE (DECREASE) NOI			\$ (194,190,197)

(Note) Amounts presented in bold italic type have changed since the July 7, 2006 revised filing.

Exhibit E - Contract Adjustments
Derived from Original PCA Exhibit E

Row		Rebuttal 2006 GRC RY Jan07- Dec07
7	CONTRACTS	
8	Baker Replacement	
9	BC Hydro Point Roberts	\$ 0.07552
10	BPA WNP-3 Exchange Power	\$ 0.03063
11	BPA WNP3 Return	
12	BPA Snohomish Conservation	\$ 0.04767
13	CSPE	
14	Mid-Columbia	
15	Canadian Entitlement and CEA-EA	
16	XXXXXXXXXXXXXX	XXXXXX
17	XXXXXXXXXXXXXX	XXXXXX
18	PPL Contract 15 yr	
19	Supplemental Entitlement Cap	
20	North Wasco Winter	\$ 0.08086
20A	North Wasco Summer	\$ 0.04533
21	WWP Contract 15 yr	
22	PG&E Exchange Storage Acctg.	
23	QF Shipp Hutch. Creek	
24	QF Koma Kulshan Hydro	\$ 0.07656
25	QF March Point Cogen 1 Winter	\$ 0.06217
26	QF March Point Cogen 1 Summer	\$ 0.04477
27	QF March Point Cogen 2 Winter	\$ 0.07093
28	QF March Point Cogen 2 Summer	\$ 0.06093
29	QF Port Townsend Hydro	
30	QF PERC Puyallup	
31	QF Spokane MSW	
31a	QF Spokane MSW Winter	\$ 0.10835
31b	QF Spokane MSW Summer	\$ 0.06475
32	QF Sumas Winter	\$ 0.07440
33	QF Sumas Summer	\$ 0.04930
34	QF Sygitowicz	
35	QF Tenaska (excl. Reg. Amort.)	\$ 0.03390
36	QF Twin Falls	\$ 0.07500
37	QF Weeks Falls	\$ 0.07500
38	Skookumchuck	

**REDACTED
VERSION**