

**Exhibit No. \_\_ (WHW-7)**  
**Dockets UE-072300/**  
**UG-072301/UG-080064**  
**Witness: William H. Weinman**

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.  
PUGET SOUND ENERGY, INC.**

**Respondent.**

**DOCKET UE-072300**  
**DOCKET UG-072301**  
**(consolidated)**

**DOCKET UG-080064**

**EXHIBIT TO TESTIMONY OF**

**WILLIAM H. WEINMAN**

**STAFF OF THE WASHINGTON UTILITIES  
AND TRANSPORTATION COMMISSION**

***Electric Results of Operations and Revenue Requirement***

**June 25, 2008**

PUGET SOUND ENERGY-ELECTRIC  
 RESULTS OF OPERATIONS  
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
 GENERAL RATE INCREASE

LINE NO.	ACTUAL RESULTS OF OPERATION	TOTAL ADJUSTMENTS	ADJUSTED RESULTS OF OPERATIONS	REVENUE REQUIREMENT DEFICIENCY	AFTER RATE INCREASE
1	<b>OPERATING REVENUES:</b>				
2	\$ 1,785,744,016	\$ 50,510,969	\$ 1,836,254,985	\$ 107,978,067	\$ 1,944,233,052
3	SALES TO CUSTOMERS 374,331	(18,584)	355,747	340,165	695,912
4	SALES FROM RESALE-FIRM 268,574,887	(253,870,421)	14,704,466		14,704,466
5	SALES TO OTHER UTILITIES 43,280,356	(5,132,604)	38,147,752		38,147,752
6	OTHER OPERATING REVENUES				
6	<b>TOTAL OPERATING REVENUES</b>	<b>\$ (208,510,640)</b>	<b>\$ 1,889,462,950</b>	<b>\$ 108,318,232</b>	<b>\$ 1,997,781,182</b>
7					
8	<b>OPERATING REVENUE DEDUCTIONS:</b>				
9					
10	<b>POWER COSTS:</b>				
11	\$ 118,473,661	\$ 61,644,432	\$ 180,118,093	\$ -	\$ 180,118,093
12	FUEL PURCHASED AND INTERCHANGED 1,017,118,800	(234,327,487)	782,791,313		782,791,313
13	HEDGING	285,295	285,295		285,295
14	WHEELING 65,628,548	165,761	65,794,309		65,794,309
	RESIDENTIAL EXCHANGE (84,819,852)	88,649,593	3,829,741		3,829,741
15	RATE DISALLOWANCE	(8,459,126)	(8,459,126)		(8,459,126)
16	<b>TOTAL PRODUCTION EXPENSES</b>	<b>\$ (92,041,533)</b>	<b>\$ 1,024,359,624</b>	<b>\$ -</b>	<b>\$ 1,024,359,624</b>
17					
18	OTHER POWER SUPPLY EXPENSES \$ 79,069,006	\$ 4,741,958	\$ 83,810,964	\$ -	\$ 83,810,964
19	TRANSMISSION EXPENSE 6,532,375	3,717,638	10,250,013		10,250,013
20	DISTRIBUTION EXPENSE 67,507,444	(492,539)	67,014,905		67,014,905
21	CUSTOMER ACCOUNT EXPENSES 37,171,867	1,876,474	39,048,341	379,374	39,427,715
22	CUSTOMER SERVICE EXPENSES 9,736,024	(7,763,327)	1,972,697		1,972,697
23	CONSERVATION AMORTIZATION 32,494,479	(32,489,368)	5,111		5,111
24	ADMIN & GENERAL EXPENSE 76,980,894	3,181,065	80,161,960	216,636	80,378,596
25	DEPRECIATION 160,277,383	1,522,759	161,800,142		161,800,142
26	AMORTIZATION 30,986,683	1,232,202	32,218,885		32,218,885
27	AMORTIZ OF PROPERTY GAIN/LOSS 5,380,486	16,548,054	21,928,540		21,928,540
28	OTHER OPERATING EXPENSES (11,616,918)	13,027,908	1,410,990		1,410,990
29	FAS 133 887,595	(887,595)	-		-
30	TAXES OTHER THAN INCOME TAXES 171,491,627	(55,015,635)	116,475,992	4,180,477	120,656,469
31	INCOME TAXES (5,105,994)	(30,584,383)	(35,690,377)	36,239,611	549,234
32	DEFERRED INCOME TAXES 67,629,351	22,388,084	90,017,435		90,017,435
33	<b>TOTAL OPERATING REV. DEDUCT.</b>	<b>\$ (151,038,237)</b>	<b>\$ 1,694,785,222</b>	<b>\$ 41,016,098</b>	<b>\$ 1,735,801,320</b>
34					
35	<b>NET OPERATING INCOME</b>	<b>\$ 252,150,131</b>	<b>\$ 194,677,728</b>	<b>\$ 67,302,134</b>	<b>\$ 261,979,862</b>
36					
37					
38					
39	RATE OF RETURN 7.90%		6.13%		8.25%
40					
41	<b>RATE BASE:</b>				
42	\$ 5,564,169,427	\$ 303,761,346	\$ 5,867,930,773		
43	GROSS UTILITY PLANT IN SERVICE				
44	ACCUM DEPR AND AMORT (2,277,237,104)	(142,859,152)	(2,420,096,257)		
45	DEFERRED DEBITS 313,780,159	(67,581,957)	246,198,202		
46	DEFERRED TAXES (432,609,629)	(13,806,606)	(446,416,235)		
47	ALLOWANCE FOR WORKING CAPITAL 95,445,435	(93,766,423)	1,679,012		
48	OTHER (73,781,988)	-	(73,781,988)		
49	<b>TOTAL RATE BASE</b>	<b>\$ (14,252,793)</b>	<b>\$ 3,175,513,507</b>		

**PUGET SOUND ENERGY-ELECTRIC**  
**STATEMENT OF OPERATING INCOME AND ADJUSTMENTS**  
**FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007**  
**RESTATING AND PRO FORMA ADJUSTMENTS**

LINE NO.	ACTUAL RESULTS C NORMALIZATION OPERATIONS	TEMPERATURE 11.01	REVENUES & EXPENSES 11.02	POWER COSTS 11.03	FEDERAL INCOME TAX 10.04	TAX BENEFIT OF PRO FORMA INTEREST 11.05	HOPKINS RIDGE INFILL 11.06	WILD HORSE WIND PLANT 11.07	GOLDENDALE 11.08
1	OPERATING REVENUES								
2	SALES TO CUSTOMERS	\$ 1,785,744,016	\$ (12,020,016)	\$ 80,020,082	\$ -	\$ -	\$ -	\$ -	\$ -
3	SALES FROM RESALE-FIRM	374,331	(2,951)	(15,633)					
4	SALES TO OTHER UTILITIES	288,574,887		(253,870,421)					
5	OTHER OPERATING REVENUES	43,280,356		(453,676)					
6	TOTAL OPERATING REVENUES	\$ 2,087,973,590	\$ (12,022,967)	\$ 79,550,773	\$ -	\$ -	\$ -	\$ -	\$ -
7	OPERATING REVENUE DEDUCTIONS:								
8									
9	POWER COSTS:								
10	FUEL	\$ 118,473,661	\$ -	\$ 60,808,924					
11	PURCHASED AND INTERCHANGED	1,017,118,800		(240,346,561)			(1,451,500)		
12	HEDGING			285,295					
13	WHEELING	65,628,548		3,829,741					
14	RESIDENTIAL EXCHANGE	(84,819,852)		(8,459,126)					
15	RATE DISALLOWANCE								
16	TOTAL PRODUCTION EXPENSES	\$ 1,116,401,157	\$ -	\$ (183,881,737)	\$ -	\$ -	\$ (1,451,500)	\$ -	\$ -
17	OTHER POWER SUPPLY EXPENSES	\$ 79,069,006	\$ -	\$ 4,280,671	\$ -	\$ -			
18	TRANSMISSION EXPENSE	6,532,375		(39,233)					
19	DISTRIBUTION EXPENSE	67,507,444							
20	CUSTOMER ACCTS EXPENSES	37,171,867	(42,110)	278,621					
21	CUSTOMER SERVICE EXPENSES	32,494,479							
22	CONSERVATION AMORTIZATION	76,980,894	(24,046)	159,102					
23	ADMIN & GENERAL EXPENSE	160,277,383							
24	DEPRECIATION	30,986,683					9,545		(181,311)
25	AMORTIZ OF PROPERTY GAIN/LOSS	5,380,486					571,980		1,771,083
26	OTHER OPERATING EXPENSES	(11,616,918)							
27	FAS 133	887,595							
28	TAXES OTHER THAN INCOME TAXES	171,491,627	(464,019)	3,070,214					
29	INCOME TAXES	(5,105,994)	(4,022,477)	26,614,993	(12,251,184)	4,537,594		(1,180,195)	(556,420)
30	DEFERRED INCOME TAXES	67,629,351			22,077,426				
31	TOTAL OPERATING REV. DEDUCT.	\$ 1,845,823,459	\$ (4,552,652)	\$ 30,122,930	\$ 9,826,242	\$ 4,537,594	\$ (540,198)	\$ 2,191,792	\$ 1,033,352
32	NET OPERATING INCOME	\$ 252,150,131	\$ (7,470,315)	\$ 49,427,844	\$ (9,826,242)	\$ (4,537,594)	\$ 540,198	\$ (2,191,792)	\$ (1,033,352)
33	RATE OF RETURN	7.90%							
34	RATE BASE:								
35	GROSS UTILITY PLANT IN SERVICE	\$ 5,564,169,427	\$ -	\$ -	\$ -	\$ -	\$ 13,240,285	\$ 76,704,231	\$ 132,414,991
36	ACCUM DEPR AND AMORT	(2,277,237,104)					(466,941)	(3,217,691)	(79,710,913)
37	DEFERRED DEBITS	313,780,159					(2,177,250)		
38	DEFERRED TAXES	(432,609,629)					(270,244)		
39	ALLOWANCE FOR WORKING CAPITAL	95,445,435							
40	OTHER	(73,781,988)							
41	TOTAL RATE BASE	\$ 3,189,766,299	\$ -	\$ -	\$ -	\$ -	\$ 10,325,850	\$ 62,547,869	\$ 48,370,961







PUGET SOUND ENERGY-ELECTRIC  
 STATEMENT OF OPERATING INCOME AND ADJUSTMENTS  
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
 RESTATING AND PRO FORMA ADJUSTMENTS

LINE NO.	SKAGIT FACILITY	PRODUCTION ADJUSTMENT	BILLING DISCOUNTS	WORKING CAP DISALLOWANCE	TOTAL ADJUSTMENTS	ADJUSTED RESULTS OF OPERATIONS
	11.34	11.35	11.36	11.38		
1						
2		\$	\$ 107,016		\$	\$ 1,836,254,985
3					(18,584)	355,747
4					(253,870,421)	14,704,466
5					(5,132,604)	38,147,752
6		\$	\$ 107,016		\$	\$ 1,889,462,950
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OPERATING REVENUES  
 SALES TO CUSTOMERS  
 SALES FROM RESALE-FIRM  
 SALES TO OTHER UTILITIES  
 OTHER OPERATING REVENUES  
 TOTAL OPERATING REVENUES  
 OPERATING REVENUE DEDUCTIONS:  
 POWER COSTS:  
 FUEL  
 PURCHASED AND INTERCHANGED  
 HEDGING  
 WHEELING  
 RESIDENTIAL EXCHANGE  
 RATE DISALLOWANCE  
 TOTAL PRODUCTION EXPENSES  
 OTHER POWER SUPPLY EXPENSES  
 TRANSMISSION EXPENSE  
 DISTRIBUTION EXPENSE  
 CUSTOMER ACCTS EXPENSES  
 CUSTOMER SERVICE EXPENSES  
 CONSERVATION AMORTIZATION  
 ADMIN & GENERAL EXPENSE  
 DEPRECIATION  
 AMORTIZATION  
 AMORTIZ OF PROPERTY GAINLOSS  
 OTHER OPERATING EXPENSES  
 FAS 133  
 TAXES OTHER THAN INCOME TAXES  
 INCOME TAXES  
 DEFERRED INCOME TAXES  
 TOTAL OPERATING REV. DEDUCT.  
 NET OPERATING INCOME  
 RATE OF RETURN  
 RATE BASE:  
 GROSS UTILITY PLANT IN SERVICE  
 ACCUM DEPR AND AMORT  
 DEFERRED DEBITS  
 DEFERRED TAXES  
 ALLOWANCE FOR WORKING CAPITAL  
 OTHER  
 TOTAL RATE BASE

\$ 50,510,969 \$ 1,836,254,985  
 (18,584) 355,747  
 (253,870,421) 14,704,466  
 (5,132,604) 38,147,752  
 \$ (208,510,640) \$ 1,889,462,950  
 \$ 61,644,432 \$ 180,118,093  
 (234,327,487) 782,791,313  
 285,295 285,295  
 165,761 65,794,309  
 88,649,593 3,829,741  
 (8,459,126) (8,459,126)  
 \$ (92,041,533) \$ 1,024,359,624  
 \$ 4,741,958 \$ 83,810,984  
 3,717,638 10,250,013  
 (492,539) 67,014,905  
 1,876,474 39,048,341  
 (7,763,327) 1,972,697  
 (32,489,368) 5,111  
 3,161,065 80,161,960  
 1,522,759 161,800,142  
 1,232,202 32,218,885  
 16,548,054 21,928,540  
 13,027,908 1,410,990  
 (887,595)  
 (55,015,635) 116,475,992  
 (30,584,363) (35,690,377)  
 22,388,094 90,017,435  
 \$ (151,038,257) \$ 1,694,765,222  
 \$ (57,472,403) \$ 194,677,728  
 6.13%  
 \$ 303,761,346 \$ 5,867,930,773  
 (142,859,152) (2,420,066,257)  
 (67,581,957) 246,198,202  
 (13,806,606) (446,416,235)  
 (93,766,423) 1,679,012  
 (73,781,988)  
 \$ (14,252,793) \$ 3,175,513,507

**PUGET SOUND ENERGY-ELECTRIC  
TEMPERATURE NORMALIZATION  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
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>6.70%</u>
4	Oct-06	1,845,737	1,828,265	(17,471)	(16,301)
6	Dec-06	2,265,270	2,261,757	(3,513)	(3,278)
7	Jan-07	2,453,629	2,355,941	(97,687)	(91,142)
8	Feb-07	1,987,908	1,994,880	6,972	6,505
9	Mar-07	2,039,569	2,047,347	7,778	7,257
10	Apr-07	1,823,887	1,818,523	(5,364)	(5,005)
11	May-07	1,728,115	1,730,060	1,945	1,815
12	Jun-07	1,630,303	1,634,295	3,992	3,725
13	Jul-07	1,721,998	1,703,413	(18,585)	(17,340)
14	Aug-07	1,694,124	1,701,516	7,392	6,897
15	Sep-07	1,652,397	1,650,724	(1,673)	(1,561)
16		20,842,937	20,726,722	(116,215)	(108,428)
17					
18	REVENUE ADJUSTMENT:	Schedule 7		(111,115) \$	(10,596,704)
19		Schedule 24		(19,192)	(1,556,957)
20		Schedule 25		(526)	(33,418)
21		Schedule 26		8,717	529,236
22		Schedule 29		(19)	(1,037)
23		Schedule 31		(4,303)	(236,515)
24		Schedule 35		-	-
25		Schedule 43		(1,679)	(87,241)
26		Schedule 40		(742)	(37,380)
27		Firm Resale		(84)	(2,951)
28	INCREASE (DECREASE) SALES TO CUSTOMERS				\$ (12,022,967)
29					
30	UNCOLLECTIBLES @			0.0035024 \$	(42,110)
31	ANNUAL FILING FEE @			0.0020000	(24,046)
31	INCREASE (DECREASE) EXPENSES				(66,156)
32					
33	STATE UTILITY TAX @			0.0385944 \$	(464,019)
34	INCREASE (DECREASE) TAXES OTHER				(464,019)
35					
36	INCREASE (DECREASE) INCOME				(11,492,792)
37					
38	INCREASE (DECREASE) FIT @			35%	(4,022,477)
39	INCREASE (DECREASE) NOI				\$ (7,470,315)



**PUGET SOUND ENERGY-ELECTRIC  
 REVENUES AND EXPENSES  
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
 GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ADJUSTMENT
1 <b>SALES TO CUSTOMERS:</b>	
2 RESTATING ADJUSTMENTS:	
3 ADD GRC INCREASE DOCKET 060266	\$ 53,812,830
5 REMOVE PCORC INCREASE DOCKET 050870	(65,899,195)
6 REMOVE SCHEDULE 95A PRODUCTION TAX CREDITS	25,989,318
7 REMOVE GEORGIA PACIFIC STEAM SALES	(765,692)
8 MISCELLANEOUS RESTATING ADJUSTMENT	2,059,713
9 RESTATING ADJUSTMENTS SALES TO CUSTOMERS	<u>80,443,036</u>
10	
11 PROFORMA ADJUSTMENTS:	
12 MISCELLANEOUS PROFORMA ADJUSTMENTS	(422,954)
13 PROFORMA ADJUSTMENTS SALES TO CUSTOMERS	<u>(422,954)</u>
14	
15 TOTAL INCREASE (DECREASE) SALES TO CUSTOMERS	\$ 80,020,082
16	
17 <b>SALES FOR RESALE - SMALL FIRM</b>	
18 MISCELLANEOUS RESTATING ADJUSTMENT	<u>(15,633)</u>
19	
20 TOTAL INCREASE (DECREASE) SALES FOR RESALE - SMALL FIRM	(15,633)
21	
22 <b>OTHER OPERATING REVENUES</b>	
23 POLE ATTACHMENT REVENUES	(426,324)
24 MISCELLANEOUS RESTATING ADJUSTMENT	<u>(27,352)</u>
25	
26 TOTAL INCREASE (DECREASE) OTHER OPERATING REVENUE	<u>(453,676)</u>
27	
28 TOTAL INCREASE (DECREASE) REVENUES	79,550,773
29	
30 UNCOLLECTIBLES @	0.0035024 \$ 278,621
31 ANNUAL FILING FEE @	0.0020000 <u>159,102</u>
32 INCREASE (DECREASE) EXPENSES	437,722
33	
34 STATE UTILITY TAX @	0.0385944 \$ 3,070,214
35 REMOVE MUNICIPAL TAX EXPENSED	
36 INCREASE (DECREASE) TAXES OTHER	<u>3,070,214</u>
37	
38 INCREASE (DECREASE) INCOME	76,042,837
39	
40 INCREASE (DECREASE) FIT @	35% 26,614,993
41 INCREASE (DECREASE) NOI	<u>\$ 49,427,844</u>

**PUGET SOUND ENERGY-ELECTRIC  
 POWER COSTS  
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
 GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ACTUAL	PROFORMA	INCREASE (DECREASE)
1 SALES FOR RESALE	\$ 268,574,887	\$ 14,704,466	\$ (253,870,421)
2			
3 PURCHASES/SALES OF NON-CORE GAS	4,267,784	149,656	(4,118,128)
4 WHEELING FOR OTHERS	10,583,713	9,986,183	(597,530)
5	14,851,497	10,135,839	(4,715,658)
6			
7 TOTAL OPERATING REVENUES	283,426,385	24,840,306	(258,586,079)
8			
9 FUEL	\$ 119,309,169	\$ 180,118,093	\$ 60,808,924
10			
11 PURCHASED AND INTERCHANGED	990,181,182	749,834,601	(240,346,581)
12 HEDGING		285,295	285,295
13 RATE DISALLOWANCES FOR MARCH POINT 2 AND TENASKA		(8,459,126)	(8,459,126)
14 SUBTOTAL PURCHASED AND INTERCHANGED	\$ 990,181,182	\$ 741,660,770	\$ (248,520,412)
15 WHEELING	63,827,743	67,657,484	3,829,741
16			
17 TOTAL PRODUCTION EXPENSES	\$ 1,173,318,094	\$ 989,436,347	\$ (183,881,747)
18 HYDRO AND OTHER POWER	79,069,006	83,349,677	4,280,671
19 TRANS. EXP. INCL. 500KV O&M	1,175,688	1,136,455	(39,233)
20			
21 TOTAL OPERATING EXPENSES	\$ 1,253,562,789	\$ 1,073,922,479	\$ (179,640,309)
22			
23 INCREASE (DECREASE) OPERATING INCOME (LINE 8 - LINE 21)	\$ (970,136,404)	\$ (1,049,082,174)	\$ (78,945,770)
24			
25 REDUCTION TO STATE UTILITY TAX SAVINGS FOR LINE 4	3.85%		(23,005)
26 INCREASE (DECREASE) INCOME			(78,922,765)
27 INCREASE (DECREASE) FIT @	35%		(27,622,968)
28 INCREASE (DECREASE) NOI			<u>\$ (51,299,797)</u>

**PUGET SOUND ENERGY-ELECTRIC  
FEDERAL INCOME TAX  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	AMOUNT
1 TAXABLE INCOME (LOSS)	\$ (49,591,937)
2	
3 FEDERAL INCOME TAX EXPENSE (BENEFIT) @ 35%	<u>(17,357,178)</u>
5	
6 DEFERRED FIT - DEBIT	\$ 107,781,393
7 DEFERRED FIT - CREDIT	(15,735,819)
8 ADDITIONAL DEFERRED CREDITS	<u>(2,338,797)</u>
9 TOTAL RESTATED FIT	\$ 72,349,599
10	
11 FIT PER BOOKS:	
12 CURRENTLY PAYABLE	\$ (5,105,994)
13 DEFERRED FIT - DEBIT	130,274,336
14 DEFERRED FIT - CREDIT	(62,644,985)
15 DEFERRED FIT - INV TAX CREDIT, NET OF AMORT.	-
16 TOTAL CHARGED TO EXPENSE	<u>\$ 62,523,357</u>
17	
18 INCREASE(DECREASE) FIT	(12,251,184)
19 INCREASE(DECREASE) DEFERRED FIT	<u>22,077,426</u>
20 INCREASE(DECREASE) NOI	<u>\$ (9,826,242)</u>

**PUGET SOUND ENERGY-ELECTRIC  
TAX BENEFIT OF PRO FORMA INTEREST  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	AMOUNT
1 RATE BASE	\$ 3,175,513,507
2 DEDUCTIBLE CWIP	110,892,663
3 NET RATE BASE	<u>\$ 3,286,406,170</u>
5 WEIGHTED COST OF DEBT	<u>3.74%</u>
6 PROFORMA INTEREST	\$ 122,911,591
7	
8	
9 <u>INTEREST EXPENSE ITEMS PER BOOKS:</u>	
10 INTEREST ON LONG TERM DEBT	\$ 118,172,916
11 AMORTIZATION OF DEBT DISCOUNT	
12 AND EXPENSE, NET OF PREMIUMS	2,105,623
13 INTEREST ON DEBT TO ASSOCIATED	
14 ASSOCIATED COMPANIES	892,584
15 OTHER INTEREST EXPENSE	15,055,265
16 LESS: INTEREST ON CUSTOMER DEPOSITS	<u>(350,242)</u>
17 CHARGED TO EXPENSE IN TEST YEAR	<u>135,876,145</u>
18	
19 INCREASE (DECREASE) INCOME	\$ 12,964,554
20	
21 INCREASE (DECREASE) FIT @	35% 4,537,594
22 INCREASE (DECREASE) NOI	<u>\$ (4,537,594)</u>

**PUGET SOUND ENERGY-ELECTRIC  
HOPKINS RIDGE INFILL PROJECT  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	TEST YEAR	PROFORMA	ADJUSTMENT
1 <u>HOPKINS RIDGE INFILL RATEBASE (AMA)</u>			
2 <u>UTILITY PLANT RATEBASE</u>			
3 PLANT BALANCE	\$	- \$ 13,240,285	13,240,285
5 ACCUM DEPR		(466,941)	(466,941)
6 DEFERRED INCOME TAX LIABILITY		(1,007,021)	(1,007,021)
7 NET HOPKINS RIDGE INFILL PLANT RATEBASE	\$	- \$ 11,766,323	\$ 11,766,323
8			
9 <u>REGULATORY LIABILITY RATEBASE</u>			
10 HOPKINS RIDGE INFILL MITIGATION CREDIT	\$	- \$ (2,903,000)	\$ (2,903,000)
11 ACCUM AMORTIZATION		725,750	725,750
12 DEFERRED INCOME TAX ASSET		736,776	736,776
13 NET REGULATORY LIABILITY	\$	- \$ (1,440,474)	\$ (1,440,474)
14			
15 OVERALL INCREASE TO RATEBASE	\$	- \$ 10,325,850	10,325,850
16			
17 <u>HOPKINS RIDGE INFILL OPERATING EXPENSE</u>			
18 DEPRECIATION EXPENSE	\$	- \$ 571,980	\$ 571,980
19 PROPERTY INSURANCE		9,545	9,545
20 PROPERTY TAXES		38,900	38,900
21 TOTAL OPERATING EXPENSES	\$	- \$ 620,426	\$ 620,426
22			
23 <u>POWER COST ASSOCIATED WITH HOPKINS RIDGE INFILL</u>			
24 AMORTIZATION OF MITIGATION CREDIT - REG LIAB	\$	- \$ (1,451,500)	(1,451,500)
25 TOTAL POWER COSTS	\$	- \$ (1,451,500)	\$ (1,451,500)
26			
27 INCREASE (DECREASE) OPERATING EXPENSE			(831,074)
28			
29 INCREASE (DECREASE) FIT @		35%	290,876
30 INCREASE (DECREASE) NOI			\$ 540,198

**PUGET SOUND ENERGY-ELECTRIC  
WILD HORSE WIND PLANT  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	TEST YEAR	PROFORMA	ADJUSTMENT
1 <u>WILD HORSE RATE BASE</u>			
2 PLANT BALANCE	\$ 294,039,590	\$ 370,743,821	\$ 76,704,231
3 ACCUMULATED DEPRECIATION	(4,334,788)	(7,552,479)	(3,217,691)
5 DEFERRED TAX LIABILITY	(19,850,576)	(30,939,082)	(11,088,506)
6 DEFERRED TAX ASSET	188,678	338,313	149,635
7 WILD HORSE RATE BASE	<u>\$ 270,042,904</u>	<u>\$ 332,590,573</u>	<u>\$ 62,547,669</u>
8			
9 <u>WILD HORSE OPERATING EXPENSES:</u>			
10			
11 DEPRECIATION EXPENSE	\$ 10,970,072	\$ 14,342,059	\$ 3,371,987
12			
13 INCREASE (DECREASE) EXPENSE			3,371,987
14			
15 INCREASE (DECREASE) FIT @		35%	(1,180,195)
16 INCREASE (DECREASE) NOI			<u>\$ (2,191,792)</u>

**PUGET SOUND ENERGY-ELECTRIC  
GOLDENDALE  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1 <u>GOLDENDALE RATEBASE</u>			
2 PLANT BALANCE	\$ 190,398,571	\$ 322,813,562	\$ 132,414,991
3 ACCUM DEPRECIATION	(114,167,676)	(193,878,589)	(79,710,913)
4 DEFERRED DEPR	(85,103)	(2,339,847)	(2,254,744)
5 DFIT RETIREMENTS		(2,078,373)	(2,078,373)
6 NET GOLDENDALE PLANT RATEBASE	<u>\$ 76,145,792</u>	<u>\$ 124,516,753</u>	<u>\$ 48,370,961</u>
7			
8 <u>GOLDENDALE OPERATING EXPENSE</u>			
9 DEPRECIATION EXPENSE	2,880,942	4,983,644	2,102,703
10 DEPR. EXP INCLUDED 4.33 DEPR. STUDY	(2,880,942)	(3,212,561)	(331,619)
11 PROPERTY INSURANCE	78,101	147,150	69,049
12 PROPERTY TAXES	1,142,289	891,929	(250,360)
13 TOTAL OPERATING EXPENSES	<u>\$ 1,220,390</u>	<u>\$ 2,810,162</u>	<u>\$ 1,589,772</u>
14			
15 INCREASE (DECREASE) OPERATING EXPENSE			1,589,772
16			
17 INCREASE (DECREASE) FIT @		35%	(556,420)
18 INCREASE (DECREASE) NOI			<u>\$ (1,033,352)</u>

**PUGET SOUND ENERGY-ELECTRIC  
SUMAS  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	<u>SUMAS RATEBASE</u>			
2	PLANT BALANCE		\$ 99,273,738	\$ 99,273,738
3	ACCUM DEPRECIATION		(74,483,303)	(74,483,303)
5	DEFERRED INCOME TAX		(45,714)	(45,714)
6	NET SUMAS PLANT RATEBASE	\$ -	\$ 24,744,721	\$ 24,744,721
7				
8	<u>SUMAS OPERATING EXPENSE</u>			
9	DEPRECIATION EXPENSE		1,720,732	1,720,732
10	PROPERTY INSURANCE		106,303	106,303
11	PROPERTY TAXES		543,257	543,257
12	TOTAL OPERATING EXPENSES	\$ -	\$ 2,370,292	\$ 2,370,292
13				
14	INCREASE (DECREASE) OPERATING EXPENSE			2,370,292
15				
16	INCREASE (DECREASE) FIT @		35%	(829,602)
17	INCREASE (DECREASE) NOI			<u>\$ (1,540,690)</u>



**PUGET SOUND ENERGY-ELECTRIC  
WHITEHORN  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	<u>RATEBASE</u>			
2	UTILITY PLANT BALANCE		\$ 19,999,792	\$ 19,999,792
3	ACCUMULATED DEPRECIATION		(16,002,667)	(16,002,667)
5	DEFERRED FIT		82,210	82,210
6	TOTAL UTILITY PLANT RATEBASE	\$ -	\$ 4,079,335	\$ 4,079,335
7				
8	ACQUISITION ADJUSTMENT		\$ 11,821,375	\$ 11,821,375
9	ACCUMULATED AMORTIZATION ON ACQ ADJ		(629,728)	(629,728)
10	DEFERRED FIT		Incl. in Line 4	-
11	TOTAL ACQUISITION ADJUSTMENT RATEBASE	\$ -	\$ 11,191,647	\$ 11,191,647
12				
13	<u>TOTAL RATEBASE</u>	\$ -	\$ 15,270,982	\$ 15,270,982
14				
15	<u>WHITEHORN OPERATING EXPENSE</u>			
16	DEPRECIATION EXPENSE		600,667	600,667
17	AMORTIZATION EXPENSE		1,679,273	1,679,273
18	TOTAL OPERATING EXPENSES	\$ -	\$ 2,279,940	\$ 2,279,940
19				
20	INCREASE (DECREASE) EXPENSE			2,279,940
21				
22	INCREASE (DECREASE) FIT @		35%	(797,979)
23	INCREASE (DECREASE) NOI			<u>\$ (1,481,961)</u>

**PUGET SOUND ENERGY-ELECTRIC  
BAKER HYDRO RELICENSING COSTS  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1 <u>BAKER HYDRO RELICENSING RATEBASE</u>			
2 PLANT BALANCE		\$ -	\$ -
3 ACCUM AMORTIZATION			-
5			-
6 <u>BAKER HYDRO RELICENSING OPERATING EXPENSE</u>			
7 AMORTIZATION EXPENSE			-
8 TOTAL OPERATING EXPENSES	\$ -	\$ -	\$ -
9			
10 INCREASE (DECREASE) EXPENSE			-
11			
12 INCREASE (DECREASE) FIT @		35%	-
13 INCREASE (DECREASE) NOI			\$ -

**PUGET SOUND ENERGY-ELECTRIC  
PASS-THROUGH REVENUES AND EXPENSES  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ADJUSTMENT
1 <u>REMOVE REVENUE ASSOCIATED WITH RIDERS:</u>	
2 REMOVE CONSERVATION RIDER - SCHEDULE 120	34,020,040
3 REMOVE MUNICIPAL TAXES - SCHEDULE 81	62,694,985
5 REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129	7,367,010
6 REMOVE RESIDENTIAL EXCHANGE - SCH 194	(88,813,196)
7 GREEN POWER - SCH 135/136 (TAGS ELIM IN PAGE 4.03)	2,327,274
8 GREEN POWER - SCH 135/136 ELIMINATE UNDER EXPENSED	(36,729)
9 TOTAL INCREASE (DECREASE) IN REVENUES	<u>(17,559,384)</u>
10	
11 <u>DECREASE REVENUE SENSITIVE ITEMS FOR DECREASE IN REVENUES:</u>	
12 BAD DEBTS 0.35024%	(61,500)
13 ANNUAL FILING FEE 0.20000%	(35,119)
14 STATE UTILITY TAX 3.85944%	(677,694)
15 TOTAL	<u>(774,313)</u>
16	
17 <u>REMOVE EXPENSES ASSOCIATED WITH RIDERS</u>	
18 REMOVE CONSERVATION RIDER - SCHEDULE 120	(32,489,368)
19 REMOVE MUNICIPAL TAXES - SCHEDULE 81	(59,746,435)
20 REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129	(7,035,748)
21 REMOVE RESIDENTIAL EXCHANGE - SCH 194	84,819,852
22 GREEN POWER - SCH 135/136 (TAGS ELIM IN PAGE 4.03)	(728,639)
23 GREEN POWER - SCH 135/136 BENEFITS PORTION OF ADMIN	(78,841)
24 GREEN POWER - SCH 135/136 TAXES PORTION OF ADMIN	(26,197)
25 TOTAL INCREASE (DECREASE) EXPENSE	<u>(15,285,377)</u>
26	
27 INCREASE (DECREASE) OPERATING INCOME BEFORE FIT	(1,499,693)
28 INCREASE (DECREASE) FIT 35.00%	(524,893)
29 INCREASE (DECREASE) NOI	<u>(974,801)</u>

PUGET SOUND ENERGY-ELECTRIC  
 BAD DEBTS  
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
 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 09/30/2004	\$ 4,958,005	\$ 1,418,771,663	\$ 68,519,491	\$ 361,720	\$ 1,349,890,453	0.3672895%
2	12 MOS ENDED 09/30/2005	\$ 5,272,921	\$ 1,604,948,532	\$ 151,158,328	\$ 350,901	\$ 1,453,439,303	0.3627892%
3	12 MOS ENDED 09/30/2006	\$ 5,231,530	\$ 1,808,438,634	\$ 176,534,948	\$ 362,636	\$ 1,631,541,050	0.3206496%
5							
6	Test Period Revenues		\$ 2,097,973,590	\$ 268,574,887	\$ 374,331	\$ 1,829,024,372	
7							
8	PROFORMA BAD DEBT RATE					0.3502428%	
9	PROFORMA BAD DEBTS					\$ 6,406,026	
10							
11	UNCOLLECTIBLES CHARGED TO EXPENSE IN TEST YEAR					5,593,869	
12	INCREASE (DECREASE) EXPENSE						\$ 812,156
13							
14	INCREASE (DECREASE) FIT					35%	(284,255)
15	INCREASE (DECREASE) NOI						\$ (527,902)

**PUGET SOUND ENERGY-ELECTRIC  
 MISCELLANEOUS OPERATING EXPENSE  
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
 GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ACTUAL	PROFORMA RESTATE	ADJUSTMENT
1 <u>OPERATING EXPENSES</u>			
2 AMORT OF DEFERRED TAXES OF INDIRECT OVERHEADS			
3 REGULATORY ASSET (WUTC DOC # UE-051527)	1,470,386		(1,470,386)
5 RESIDENTIAL EXCHANGE BENEFITS CREDITED TO CUSTOMERS ( WUTC 6 DOC # UE-071024)		1,487,423	1,487,423
7 ADJUSTMENT TO MOVE LEGAL COSTS ASSOCIATED WITH THE SALES OF 8 POWER FROM 557 TO A&G (FERC 923).		382,511	382,511
9 COST OF WIRE ZONE VEGETATION MANAGEMENT PROGRAM		4,000,000	4,000,000
10 INCREASE IN SERVICE CONTRACT BASELINE CHARGES TSM	476,350	492,927	16,577
11 INCREASE IN SERVICE CONTRACT BASELINE CHARGES DST	29,854,650	30,887,343	1,032,693
12 ADJUSTMENT FOR ONE-TIME FAS 106 CURTAILMENT GAIN	(286,923)		286,923
13 COMPANY STORE - PURCHASE OF MERCHANDISE IN CUST SVC EXP	56,347	-	(56,347)
14 COMPANY STORE - NET PURCH/SALES OF MERCHANDISE IN A&G	(31,393)	-	31,393
15 SUMMIT BUILDING CONTRACTUAL RENT INCREASES			0
16 REQUESTED IN ACCOUNTING PETITION #UE-071876	828,227	2,068,609	1,240,381
17 AMORTIZATION OF SUMMIT BUYOUT PURCHASE OPTION			0
18 REQUESTED IN ACCOUNTING PETITION #UE-071876		(1,026,113)	(1,026,113)
19 MERGER SAVINGS	73,891		(73,891)
20 ADJUSTMENT TO MOVE WAGES FOR OFFICER TIME ON MERGER			0
21 CHARGED TO PSE:			0
22 EMPLOYEE BENEFITS, FERC 926	6,697		(6,697)
23 PAYROLL TAXES, FERC 408.1	2,239		(2,239)
24 LABOR & LABOR OH, PTO, INCENTIVES, FERC 920	25,449		(25,449)
25 PUBLISH & DIST ANNUAL REPORTS TO STOCKHOLDERS	194,726		(194,726)
26 STOCKHOLDER MEETING EXPENSES	157,047		(157,047)
27 TRANSFER AGENT & REGISTRAR FEES	337,442		(337,442)
28 INCREASE (DECREASE) IN EXPENSE	\$ 31,694,750	\$ 38,292,700	5,127,564
29			
30 INCREASE(DECREASE) OPERATING EXPENSE			5,127,564
31 INCREASE(DECREASE) FIT @	-	35%	(1,794,647)
32			
33 INCREASE(DECREASE) NOI			<u>\$ (3,332,917)</u>
34			
35 <u>RATEBASE</u>			
36			
37 ADJUSTMENT FOR TRANSFERS OF RATEBASE TO NON-UTILITY PLANT	122,341		(122,341)
38 CWIP "IN SERVICE" BUT NOT TRANSFERRED TO PLANT		3,245,319	3,245,319
39			
40 TOTAL ADJUSTMENT TO RATEBASE			<u>\$ 3,122,978</u>

**PUGET SOUND ENERGY-ELECTRIC  
PROPERTY TAXES  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	WASHINGTON	MONTANA	OREGON	TOTAL
1 RESTATED PROPERTY TAX	\$ 25,930,090	\$ 10,417,029	\$ 692,978	\$ 37,040,097
2 CHARGED TO EXPENSE IN TY	22,347,868	10,228,277	710,570	33,286,715
3 INCREASE(DECREASE) EXPENSE	\$ 3,582,222	\$ 188,752	\$ (17,592)	\$ 3,753,382
5 INCREASE(DECREASE) FIT @			35%	(1,313,684)
6				
7 INCREASE(DECREASE) NOI				\$ (2,439,698)

**PUGET SOUND ENERGY-ELECTRIC  
EXCISE TAX & FILING FEE  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	AMOUNT
1 RESTATED EXCISE TAXES	\$ 69,650,077
2 CHARGED TO EXPENSE FOR TEST YEAR	70,238,535
3 INCREASE (DECREASE) EXCISE TAX	\$ (588,458)
5 RESTATED WUTC FILING FEE	\$ 3,628,231
6 CHARGED TO EXPENSE FOR TEST YEAR	3,739,072
7 INCREASE(DECREASE) WUTC FILING FEE	\$ (110,841)
8	
9 INCREASE(DECREASE) EXPENSE	(699,299)
10	
11 INCREASE(DECREASE) FIT @ 35%	244,755
12 INCREASE(DECREASE) NOI	\$ 454,544

**PUGET SOUND ENERGY-ELECTRIC  
D&O INSURANCE  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	TEST YEAR	RESTATED	ADJUSTMENT
1 D & O INS. CHG EXPENSE	\$ 1,081,710	\$ 1,117,519	\$ 35,809
2			
3			
4 INCREASE (DECREASE) EXPENSE			35,809
5			
6 INCREASE (DECREASE) FIT @		35%	(12,533)
7 INCREASE (DECREASE) NOI			<u>\$ (23,276)</u>



**PUGET SOUND ENERGY-ELECTRIC  
MONTANA ELECTRIC ENERGY TAX  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT
1	RESTATED KWH (COLSTRIP)	4,727,011,299
2	TAX RATE	<u>0.00035</u>
3		
5	RESTATED EXP	1,654,454
6	RECORDED EXP - TEST PERIOD	<u>1,586,606</u>
7	INCREASE (DECREASE) EXPENSE	\$ 67,848
8		
9	INCREASE (DECREASE) FIT @ 35%	<u>(23,747)</u>
10	INCREASE (DECREASE) NOI	<u><u>\$ (44,101)</u></u>

**PUGET SOUND ENERGY-ELECTRIC  
INTEREST ON CUSTOMER DEPOSITS  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

<b>LINE NO.</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
1	INTEREST EXPENSE FOR TEST YEAR	\$ 350,242
2		
3		
4		
5	FIT Expense Increase	
6		
7	INCREASE (DECREASE) NOI	<u>\$ (350,242)</u>

**PUGET SOUND ENERGY-ELECTRIC  
SFAS 133  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.		ACTUAL	RESTATED	ADJUSTMENT
1	FAS 133 OPERATING EXPENSE	\$ 887,595	\$ -	\$ (887,595)
2				
3	INCREASE (DECREASE) IN EXPENSE	\$ 887,595	\$ -	\$ (887,595)
5				
6				
7	INCREASE (DECREASE) DEFERRED FIT @	35%		310,658
8				
9	INCREASE (DECREASE) NOI			<u>\$ 576,937</u>

**PUGET SOUND ENERGY-ELECTRIC  
RATE CASE EXPENSES  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	AMOUNT
1 DEFERRED EXPENDITURES TO BE AMORTIZED:	
2	
3 REMAINING 2001 GRC DEFERRALS TO BE AMORTIZED @11/01/08	IMMATERIAL
5 INCREASE (DECREASE) EXPENSE	<u>(176,736) \$ (176,736)</u>
6	
7	
8 REMAINING 2004 GRC DEFERRALS TO BE AMORTIZED @11/01/08	IMMATERIAL
9 LESS TEST YEAR EXPENSE: 2004 GRC AMORTIZATION	251,888
10 INCREASE (DECREASE) EXPENSE	<u>(251,888) (251,888)</u>
11	
12	
13 EXPENSES TO BE NORMALIZED:	
14	
15 ESTIMATED GRC EXPENSES TO BE NORMALIZED	<u>\$ 1,474,000</u>
16	
17 ANNUAL NORMALIZATION (LINE 22 / 2 YEARS)	737,000
18 LESS TEST YEAR EXPENSE: GRC DIRECT CHARGES TO FERC 928	<u>321,200</u>
19	
20 INCREASE (DECREASE) EXPENSE	<u>\$ 415,800 415,800</u>
21	
22	
23 ESTIMATED PCORC EXPENSES TO BE NORMALIZED	<u>\$ 325,000</u>
24	
25 ANNUAL NORMALIZATION (LINE 29 / 2)	162,500
26 LESS TEST YEAR EXPENSE: PCORC DIRECT CHARGES	<u>351,915</u>
27	
28 INCREASE (DECREASE) EXPENSE	<u>\$ (189,415) (189,415)</u>
29	
30	
31 TOTAL INCREASE (DECREASE) EXPENSE	\$ (202,239)
32	
33 INCREASE(DECREASE) FIT @	35% 70,784
34 INCREASE(DECREASE) NOI	<u>\$ 131,455</u>

**PUGET SOUND ENERGY-ELECTRIC  
DEFERRED GAINS/LOSSES ON PROPERTY SALES  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	AMOUNT
1 DEFERRED GAIN RECORDED SINCE UE-060266, <i>et al.</i> at 10/31/2008	\$ (7,996,289)
2 DEFERRED LOSS RECORDED SINCE UE-060266, <i>et al.</i> at 10/31/2008	663,702
3 TOTAL DEFERRED NET (GAIN) LOSS TO AMORTIZE	\$ (7,332,587)
5 AMORTIZATION OF DEFERRED NET (GAIN) LOSS FOR RATE YEAR (Line 3/3years)	(2,444,196)
6	
7 AMORTIZATION OF DEFERRED NET (GAIN) LOSS FOR TEST YEAR	(1,475,528)
8	
9 INCREASE (DECREASE) EXPENSE (Line 5 - Line 7)	\$ (968,668)
10	
11 INCREASE (DECREASE) FIT @ 35%	339,034
12	
13 INCREASE (DECREASE) NOI	\$ 629,634

**PUGET SOUND ENERGY-ELECTRIC  
PROPERTY & LIABILITY INSURANCE  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ACTUAL	PROFORMA	ADJUSTMENT
1 PROPERTY INSURANCE EXPENSE	\$ 2,396,344	\$ 2,695,705	299,360
2 LIABILITY INSURANCE EXPENSE	1,623,650	1,848,953	225,303
3 INCREASE(DECREASE) EXPENSE	\$ 4,019,994	\$ 4,544,657	524,664
5 INCREASE (DECREASE) OPERATING EXPENSE			524,664
6			
7 INCREASE (DECREASE) FIT @	35%		(183,632)
8 INCREASE (DECREASE) NOI			\$ (341,031)

**PUGET SOUND ENERGY-ELECTRIC  
PENSION PLAN  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL	RESTATE	ADJUSTMENT
1	QUALIFIED RETIREMENT FUND	\$ 837,289	\$ -	\$ (837,289)
2	SERP PLAN	2,096,718	2,236,061	\$ 139,343
3	INCREASE(DECREESE) EXPENSE	\$ 2,934,007	\$ 2,236,061	\$ (697,946)
5	INCREASE(DECREESE) OPERATING EXPENSE			(697,946)
6				
7	INCREASE (DECREESE) FIT @	35%		244,281
8	INCREASE (DECREESE) NOI			\$ 453,665

**PUGET SOUND ENERGY-ELECTRIC  
WAGE INCREASE  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	RATE YEAR	ADJUSTMENT
1	WAGES:			
2	PURCHASED POWER	2,850,065	2,986,583	136,518
3	TRANSMISSION	541,430	591,682	50,252
4	OTHER POWER SUPPLY	9,875,831	10,549,442	673,611
5	DISTRIBUTION	18,820,484	20,366,292	1,545,808
6	CUSTOMER ACCTS	10,109,408	10,847,062	737,654
7	CUSTOMER SERVICE	1,382,177	1,460,415	78,238
8	SALES	270,628	283,591	12,963
9	ADMIN. & GENERAL	18,491,934	19,406,216	914,282
10	TOTAL WAGE INCREASE	62,341,957	66,491,283	4,149,326
11				
12	PAYROLL TAXES	5,234,729	5,481,585	246,856
13	TOTAL WAGES & TAXES	67,576,686	71,972,868	4,396,182
14				
15	INCREASE (DECREASE) OPERATING EXPENSE			\$ 4,396,182
16	INCREASE (DECREASE) FIT @ 35%			(1,538,664)
17	INCREASE (DECREASE) NOI			<u>\$ (2,857,518)</u>



**PUGET SOUND ENERGY-ELECTRIC  
INVESTMENT PLAN  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION		AMOUNT
1	<u>MANAGEMENT (INC. EXECUTIVES)</u>		
2	INVESTMENT PLAN APPLICABLE TO MANAGEMENT	\$ 3,841,177	
3	RATE YEAR MANAGEMENT WAGE INCREASE	4.79% 183,992	
5			4,025,169
6	<u>IBEW</u>		
7	INVESTMENT PLAN APPLICABLE TO IBEW	1,012,427	
8	RATE YEAR IBEW WAGE INCREASE	7.97% 80,690	
9	TOTAL COMPANY CONTRIBUTION FOR IBEW		1,093,117
10			
11	<u>UA</u>		
12	INVESTMENT PLAN APPLICABLE TO UA	805,316	
13	RATE YEAR UA WAGE INCREASE	6.61% 53,231	
14	TOTAL COMPANY CONTRIBUTION FOR UA		858,547
15			
16	<u>TOTAL</u>		
17	TOTAL PROFORMA COSTS (LN 4 + LN 9 + 14)		5,976,834
18	PRO FORMA COSTS APPLICABLE TO OPERATIONS	55.72%	3,330,292
19	CHARGED TO EXPENSE FOR TEST YEAR		3,153,150
20	INCREASE (DECREASE) EXPENSE		177,142
21			
22	INCREASE (DECREASE) FIT @	35%	(62,000)
23	INCREASE (DECREASE) NOI		(115,142)

**PUGET SOUND ENERGY-ELECTRIC  
EMPLOYEE INSURANCE  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT
1	<u>BENEFIT CONTRIBUTION:</u>	
2	SALARIED EMPLOYEES	\$ 8,503,888
3	UNION EMPLOYEES	<u>7,983,040</u>
5		
6	APPLICABLE TO OPERATIONS @ 55.72%	9,186,516
7	CHARGED TO EXPENSE 09/30/07	<u>7,670,035</u>
8	INCREASE(DECREASE) EXPENSE	1,516,481
9		
10	INCREASE(DECREASE) FIT @ 35%	<u>(530,768)</u>
11		
12	INCREASE(DECREASE) NOI	<u>\$ (985,713)</u>

**PUGET SOUND ENERGY-ELECTRIC  
INCENTIVE PAY  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL	STAFF	ADJUSTMENT
1	<u>OPERATING EXPENSES ( RESTATED)</u>			
2	PURCHASED POWER	\$ 188,513	\$ 129,318	\$ (59,195)
3	OTHER POWER SUPPLY	653,158	456,759	(196,399)
5	TRANSMISSION	35,789	25,622	(10,167)
6	DISTRIBUTION	1,244,798	881,736	(363,062)
7	CUSTOMER ACCTS	668,620	469,657	(198,963)
8	CUSTOMER SERVICE	91,412	63,220	(28,192)
9	SALES	17,895	12,293	(5,602)
10	ADMIN. & GENERAL	1,223,027	840,252	(382,775)
11	TOTAL INCENTIVE/MERIT PAY	\$ 4,123,212	\$ 2,878,857	\$ (1,244,355)
12				
13	PAYROLL TAXES ASSOC WITH MERIT PAY	298,521	208,429	(90,092)
14	INCREASE(DECREASE) EXPENSE	4,421,733	3,087,286	(1,334,447)
15				
16	INCREASE (DECREASE) OPERATING EXPENSE			(1,334,447)
17				
18	INCREASE (DECREASE) FIT @		35%	467,056
19	INCREASE (DECREASE) NOI			<u>\$ 867,390</u>

**PUGET SOUND ENERGY-ELECTRIC  
MONTANA CORPORATE LICENSE TAX  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT
1	ESTIMATED FEDERAL CURRENT COMBINED TAXABLE	
2	INCOME AT SEPTEMBER 30, 2007	\$ 122,751,606
3	ADD: INCREASE TO PRE-TAX INCOME FROM TAX BENEFIT OF	12,964,554
5	INCOME SUBJECT TO APPORTIONMENT	135,716,160
6		
7	MONTANA APPORTIONMENT FACTOR	5.97%
8	MONTANA TAXABLE INCOME	8,102,255
9		
10	PROFORMA MONTANA CORP. LIC. TAX	6.75% 546,902
11	CHARGED TO EXPENSE IN TEST YEAR	313,000
12		-
13	INCREASE (DECREASE) EXPENSE	<u>233,902</u>
14		
15	INCREASE (DECREASE) FIT @	35% (81,866)
16		-
17	INCREASE (DECREASE) NOI	<u>\$ (152,036)</u>

**PUGET SOUND ENERGY-ELECTRIC  
AMORTIZATION OF GOLDENDALE FIXED COST DEFERRAL  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA	ADJUSTMENT
1				
2				
3				
4	AMORTIZATION OF FIXED COST DEFERRAL		\$ 4,162,154	\$ 4,162,154
6	AMORTIZATION OF FIXED COST DEFERRAL	(10,843,497)		10,843,497
7		(10,843,497)	4,162,154	\$ 15,005,651
8				
9				
10	INCREASE (DECREASE) OPERATING EXPENSES			15,005,651
11				
12	INCREASE(DECREASE) FIT @		35%	(5,251,978)
13				
14	INCREASE(DECREASE) NET OPERATING INCOME			<u>\$ (9,753,673)</u>
15				
16	RATE BASE			
17	GOLDENDALE AMA GROSS - DEF & INT.	\$ -	\$ 12,486,461	\$ 12,486,461
18	GOLDENDALE AMA ACCUMULATED AMORTIZATIOI	-	(2,081,077)	(2,081,077)
19	GOLDENDALE AMA ACCUMULATED DEFERRED FIT	-	(3,642,131)	(3,642,131)
20	TOTAL GOLDENDALE RATE BASE	-	<u>6,763,253</u>	<u>6,763,253</u>

**PUGET SOUND ENERGY-ELECTRIC  
STORM DAMAGE  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT		
1	NORMAL STORMS	Transmission	Distribution	Total
2	ACTUAL O&M:			
3	TWELVE MONTHS ENDED 9/30/02	\$ (4,894)	\$ 6,583,315	\$ 6,578,420
5	TWELVE MONTHS ENDED 9/30/03	6,615	5,325,797	5,332,412
6	TWELVE MONTHS ENDED 9/30/04	202,197	12,062,138	12,264,335
7	TWELVE MONTHS ENDED 9/30/05	50,866	1,947,137	1,998,004
8	TWELVE MONTHS ENDED 9/30/06	417,714	10,336,885	10,754,599
9	TWELVE MONTHS ENDED 9/30/07	495,730	10,500,628	10,996,358
10	TOTAL NORMAL STORMS	1,168,227	46,755,899	47,924,127
11				
12	SIX-YEAR AVERAGE STORM EXPENSE FOR RATE YEAR	194,705	7,792,650	7,987,354
13				
14	CHARGED TO EXPENSE FOR TEST YEAR ENDED 9/30/07:			
15	STORM DAMAGE EXPENSE (LINE 8)	495,730	10,500,628	10,996,358
16				
17	INCREASE (DECREASE) OPERATING EXPENSE	(301,025)	(2,707,978)	(3,009,003)
18				
19				
20	CATASTROPHIC STORMS			
21	DEFERRED BALANCES FOR 3 YEAR AMORTIZATION AT			
22	START OF RATE YEAR (11/1/08):			
23	12/4/03 WINDSTORM	3,313,916		
24	2006 STORM DAMAGE (EXCL 12/13/07 WIND STORM)	24,436,289		
25	2007 STORM DAMAGE	781,320		
26	TOTAL	28,531,525		
27	ANNUAL AMORTIZATION (LINE 26, 4 YEARS)	7,132,881		
28				
29	DEFERRED BALANCES FOR 6 YEAR AMORTIZATION AT			
30	START OF RATE YEAR (11/1/08):			
31	12/13/06 WIND STORM	79,849,846		
32	TOTAL	79,849,846		
33	ANNUAL AMORTIZATION (LINE 31, 6 YEARS)	13,308,308		
34	TOTAL RATE YEAR AMORTIZATION		20,441,189	
35	LESS CATASTROPHIC STORM AMORT AS (9/30/07)		3,843,257	
36				
37	INCREASE (DECREASE) OPERATING EXPENSE (LINE 26 + LINE 32 - LINE 34)			16,597,932
38				
39	TOTAL INCREASE (DECREASE) OPERATING EXPENSE (LINE 16 + LINE 36)			13,588,929
40				
41	INCREASE (DECREASE) FIT @ 35% (LINE 38 X 35%)			(4,756,125)
42				
43	INCREASE (DECREASE) NOI			\$ (8,832,804)

**PUGET SOUND ENERGY-ELECTRIC  
REGULATORY ASSETS AND LIABILITIES  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	RATE YEAR	ADJUSTMENT
1	REGULATORY ASSETS/LIABS AMORTIZATION EXPENSE			
2	CABOT BUYOUT	\$ 2,962,000	\$ -	\$ (2,962,000)
3	TENASKA	3,975,750	5,425,333	1,449,583
4	BEP	3,526,620	3,526,620	-
5	WHITE RIVER PLANT COSTS	1,494,702	1,494,702	(0)
6	WHITE RIVER RELICENSING & CWIP	-	-	-
7	CANWEST	(3,797,508)	-	3,797,508
8	HOPKINS RIDGE PREPAID TRANSMISSION	1,800,805	2,034,455	233,651
9	TOTAL AMORTIZATION OF REG ASSETS/LIABS	<u>\$ 9,962,369</u>	<u>\$ 12,481,110</u>	<u>\$ 2,518,741</u>
10				
11	INCREASE (DECREASE) FIT		35%	<u>(881,559)</u>
12				
13	SUBTOTAL INCREASE (DECREASE) NOI			<u>\$ (1,637,182)</u>
14				
15	TENASKA FLOW THRU	19,435,248	26,516,667	7,081,419
16				
17	TOTAL REGULATORY AMORT	\$ 29,397,617	\$ 38,997,777	\$ 9,600,160
18				
19	INCREASE (DECREASE) NOI			<u>\$ (8,718,601)</u>
20				
21	RATE BASE ADJUSTMENT			
22	<u>AMA OF REGULATORY ASSET/LIABILITY NET OF ACCUM AMORT AND DFIT</u>			
23	CABOT	\$ 3,587,408	\$ 21,125	\$ (3,566,283)
24	TENASKA	148,527,880	94,583,875	(53,944,005)
25	BEP	24,687,582	19,609,943	(5,077,639)
26	WHITE RIVER PLANT COSTS	38,412,978	33,499,702	(4,913,275)
27	WHITE RIVER RELICENSING & CWIP	22,986,145	21,740,384	(1,245,761)
28	CANWEST	(3,088,872)	(0)	3,088,872
29	HOPKINS RIDGE PREPAID TRANSMISSION	8,516,859	4,614,747	(3,902,112)
30	TOTAL REGULATORY ASSETS/LIABS RATEBASE	<u>\$ 243,629,980</u>	<u>\$ 174,069,776</u>	<u>\$ (69,560,204)</u>

**PUGET SOUND ENERGY - ELECTRIC  
 DEPRECIATION  
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	TEST YEAR	PRO FORMA	ADJUSTMENT
1	<u>ADJUSTMENT TO OPERATING EXPENSES</u>			
2	<u>DEPRECIATION EXPENSE</u>			
3	403 DEPRECIATION EXPENSE	150,517,255	140,305,306	(10,211,949)
5	403 ELECTRIC PROTION OF COMMON	4,428,776	9,080,310	4,651,534
6	403 DEPR. EXP. ON ASSETS NOT INCLUDED IN STUDY	4,846,023	4,417,336	(428,687)
7	SUBTOTAL DEPRECIATION EXPENSE 403	<u>159,792,054</u>	<u>153,802,952</u>	<u>(5,989,103)</u>
8				
9	403.1 DEPR. EXP- FAS 143 (RECOVERED IN RATES)	426,601	426,601	-
10	403.1 DEPR. EXP - FAS 143 (NOT RECOVERED IN RATES)	58,728		(58,728)
11	SUBTOTAL DEPRECIATION EXPENSE 403.1	<u>485,329</u>	426,601	<u>(58,728)</u>
12				
13	TOTAL DEPRECIATION EXPENSE	<u>160,277,383</u>	<u>154,229,553</u>	<u>(6,047,831)</u>
14				
15	<u>AMORTIZATION EXPENSE</u>			
16	4111 ACCRETION EXP. - FAS 143 (RECOVERED IN RATES)	659,907	659,907	-
17	4111 ACCRETION EXP. - FAS 143 (NOT RECOVERED IN RATE)	139,039		(139,039)
18	SUBTOTAL ACCRETION EXPENSE 411.1	<u>798,946</u>	659,907	<u>(139,039)</u>
19				
20	FLEET DEPR. EXP. ON INC STMNT NOT RECORDED IN 403	994	1,183	189
21				
22	INCREASE(DECREASE) EXPENSE			\$ (6,186,680)
23	INCREASE(DECREASE) FIT	35.00%		
24	INCREASE(DECREASE) DEFERRED FIT			
25	INCREASE(DECREASE) NOI			<u>\$ 6,186,680</u>
26				
27				
28	<u>ADJUSTMENT TO RATE BASE</u>			
29	ADJUST ACCUM. DEPR. FOR ADDITIONAL DEPRECIATION EXPENSE (50% OF LINE 22)			
30	ADJUST DFIT FOR LESS DFIT EXPENSE (50% OF LINE 24)			
31	ADJUSTMENT TO RATE BASE			



**PUGET SOUND ENERGY-ELECTRIC  
SKAGIT COUNTY SERVICE CENTER  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	PROFORMA	ADJUSTMENT
1				
2	<u>PLANT RATEBASE</u>			
3	PLANT BALANCE	\$ 1,092,646	\$ 22,041,052	\$ 20,948,406
5	ACCUM DEPR	(297,794)	(2,026,436)	(1,728,642)
6	DEFERRED INCOME TAX	(63,500)	356,915	420,415
7	SKAGIT COUNTY SERVICE FACILITY RATEBASE	<u>731,352</u>	<u>20,371,531</u>	<u>19,640,179</u>
8				
9	<u>SKAGIT OPERATING EXPENSE</u>			
10	LEASE PAYMENTS	82,580	-	(82,580)
11	DEPRECIATION EXPENSE	34,936	1,350,957	1,316,021
12	PROPERTY INSURANCE	1,936	14,113	12,177
13	SKAGIT COUNTY FACILITY OPERATING EXPENSES	<u>119,451</u>	<u>1,365,070</u>	<u>1,245,619</u>
14				
15	INCREASE (DECREASE) INCOME			1,245,619
16				
17	INCREASE (DECREASE) FIT @		35%	<u>(435,967)</u>
18				
19	INCREASE (DECREASE) NOI			<u>\$ (809,652)</u>

**PRODUCTION ADJUSTMENT  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION 3.337%	FIT 35%
1 <u>O&amp;M ON PRODUCTION PROPERTY</u>			
2 PRODUCTION WAGE INCREASE AND INCENTIVE:	\$ 77,323	(2,580)	903
3 PURCHASED POWER	477,212	(15,925)	5,574
5 TOTAL PRODUCTION WAGE INCREASE	554,535	(18,505)	6,477
6			
7 ADMIN & GENERAL EXPENSES			
8 PAYROLL OVERHEADS	2,726,252	(90,975)	31,841
9 PROPERTY INSURANCE	2,306,817	(76,978)	26,942
10 TOTAL ADMIN & GENERAL EXPENSES	5,033,069	(167,954)	58,784
11			
12 DEPRECIATION / AMORTIZATION:			
13 DEPRECIATION	53,404,124	(1,782,096)	462,126
14 AMORTIZATION (OTHER THAN REGULATORY ASSETS/LIAB)	5,068,666	(169,141)	56,572
15 TOTAL DEPRECIATION AND AMORTIZATION (FERC 403)	58,472,790	(1,951,237)	518,698
16 TAXES OTHER-PRODUCTION PROPERTY:			
17 PROPERTY TAXES - WASHINGTON	6,815,622	(227,437)	79,603
18 PROPERTY TAXES - MONTANA	7,713,984	(257,416)	90,095
19 ELECTRIC ENERGY TAX	1,654,454	(55,209)	10,323
20 PAYROLL TAXES	1,161,332	(38,754)	13,564
21 TOTAL TAXES OTHER	17,345,392	(578,816)	202,586
22			
23 <u>O&amp;M ON REGULATORY ASSETS:</u>			
24 CABOT	\$ -	-	-
25 TENASKA	31,942,000	(1,065,905)	373,067
26 BEP	3,526,620	(117,683)	41,189
27 WHITE RIVER PLANT COSTS	1,494,702	(49,878)	17,457
28 WHITE RIVER RELICENSING & CWIP	-	-	-
29 CANWEST	-	-	-
30 HOPKINS RIDGE PREPAID TRANSMISSION	2,034,455	(67,890)	23,761
31 HOPKINS RIDGE INFILL MITIGATION CREDIT	(1,451,500)	48,437	(16,953)
32 GOLDENDALE FIXED COST DEFERRAL (NEW)	4,162,154	(138,891)	48,612
33 TOTAL ADJUSTMENT TO O&M ON REGULATORY ASSETS	\$ 41,708,431	\$ (1,391,810)	\$ 487,133
34 INCREASE(DECREASE) EXPENSE		(4,108,322)	
35 INCREASE(DECREASE) FIT			1,273,677
36 INCREASE(DECREASE) NOI			\$ 2,834,645
37			
38 <u>PRODUCTION PROPERTY RATE BASE:</u>			
39 DEPRECIABLE PRODUCTION PROPERTY	\$ 2,121,905,426	\$ (70,807,984)	
40 LESS PRODUCTION PROPERTY ACCUM DEPR.	(996,446,511)	33,251,420	
41 NON-DEPRECIABLE PRODUCTION PROPERTY	47,255,464	(1,576,915)	
42 LESS PRODUCTION PROPERTY ACCUM AMORT.	(3,875,130)	129,313	
43 COLSTRIP COMMON FERC ADJUSTMENT	6,100,301	(203,567)	
44 COLSTRIP DEFERRED DEPRECIATION FERC ADJ.	1,797,723	(59,990)	
45 ENCOGEN ACQUISITION ADJUSTMENT	41,341,033	(1,379,550)	
46 NET PRODUCTION PROPERTY	1,218,078,306	(40,647,273)	
47 DEDUCT:			
48 LIBR. DEPREC. PRE 1981 (AMA)	(372,848)	12,442	
49 LIBR. DEPREC. POST 1980 (AMA)	(143,794,887)	4,798,435	
50 OTHER DEF. TAXES (AMA)	(3,295,458)	109,969	
51 SUBTOTAL	(147,463,194)	4,920,846	
52			
53 ADJUSTMENT TO PRODUCTION RATE BASE	\$ 1,070,615,112	\$ (35,726,427)	\$ 1,034,888,687
54			
55 <u>REGULATORY ASSETS RATE BASE:</u>			
56 CABOT	21,125	(705)	
57 TENASKA	94,583,875	(3,156,264)	
58 BEP	19,609,943	(654,384)	
59 WHITE RIVER PLANT COSTS	33,499,702	(1,117,885)	
60 WHITE RIVER RELICENSING & CWIP	21,740,384	(725,477)	
61 CANWEST	(0)	-	
62 HOPKINS RIDGE PREPAID TRANSMISSION	4,614,747	(153,994)	
63 HOPKINS RIDGE INFILL MITIGATION CREDIT	(1,440,474)	48,069	
64 GOLDENDALE FIXED COST DEFERRAL (NEW)	6,763,253	(225,690)	
65			
66 ADJUSTMENT TO REGULATORY ASSETS RATE BASE	\$ 179,392,556	\$ (5,986,330)	\$ 173,406,226
67			
68 TOTAL ADJUSTMENT TO RATEBASE (LINE 56 + LINE 67)		\$ (41,712,757)	

**PUGET SOUND ENERGY-ELECTRIC  
BILLING DISCOUNTS  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	PRO FORMA ADJUSTMENT
1	<u>SALES TO CUSTOMERS:</u>	
2		
4	RESIDENTIAL	\$ 107,016
5		
6		<u>\$ 107,016</u>
7		
8	EXPENSES	
9		
10		
11	CUSTOMER ACCOUNTS	0.00350248 375
12		
13	GENERAL & ADMN	0.002 214
14		
15	TOTAL EXPENSES	<u>589</u>
16		
17		
18		
19	STATE EXCISE TAX	3.85% 4,120
20		
21		
22		
23	INCREASE (DECREASE) FIT @	35.00% <u>35,807</u>
24		
25		
26		
27	INCREASE (DECREASE) NOI	\$ 66,500

**PUGET SOUND ENERGY-ELECTRIC  
WORKING CAPITAL DISALLOWANCE  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL PER COMPANY	STAFF ADJ	NET WORKING CAPITAL
1				
2				
4	INCREASE (DECREASE) NOI			
5				
6				
7				
8				
9				
10				
11	RATE BASE:			
12	RATE BASE:			
13	GROSS UTILITY PLANT IN SERVICE			
14	ACCUM DEPR AND AMORT			
15	DEFERRED DEBITS			
16	DEFERRED TAXES			
17	ALLOWANCE FOR WORKING CAPITAL	95,445,434	(93,766,423)	1,679,011
18	OTHER			
19	TOTAL RATE BASE			