

**INDEX TABLE CROSS REFERENCING PSE'S ADJUSTMENTS WITH PUBLIC
 COUNSEL'S ADJUSTMENT SCHEDULES INCLUDED AS PART OF EXHIBIT
 NO.__(JRD-3C)**

Number or Incremental Staff/Public Counsel Number	Adjustment Description	Equivalent Public Counsel Adjustment Made on Schedules Affecting:	
		Net Operating Income	Rate Base
9.01	Temperature Normalization		
9.02	Revenues & Expenses	C-1	
9.03	Net Interest Paid to IRS		
9.04	Federal Income Tax	C-11	
9.05	Tax Benefits of Pro Forma Interest	C-13	
9.06	Depreciation Study		
9.07	Pass-Through Revenue & Expense		
9.08	Bad Debt		
9.09	Miscellaneous Operating Expense	C-5	
9.10	Property Tax	C-10	
9.11	Excise Tax & Filing Fee		
9.12	D&O Insurance	C-9	
9.13	Interest on Customer Deposits		
9.14	Rate Case Expense		
9.15	Deferred G/L on Property Sales		
9.16	Property & Liability Insurance	C-4	
9.17	Pension Plan	C-7	C-8
9.18	Wage Increase	C-2	
9.19	Investment Plan	C-2	
9.20	Employee Insurance	C-3	
9.21	Incentive Pay		
9.22	Merger Savings		
9.23	Fleet Vehicles		
9.24	Excess Aircraft Costs	C-12	B-1
9.25	Normalize Injuries and Damages	C-6	
9.26	Jackson Prairie Plant		B-2
9.27	Starting Point Error - Reconciling Adj't		

Puget Sound Energy - Gas
 Pro Forma Results of Operations
 Public Counsel Revenue Requirement Summary

Line No.	Description	Actual Results of Operations (a)	Total Adjustments (b)	Adjusted Results of Operations (c)=(a)+(b)	Revenue Requirement Deficiency (d)	Achieved Results of Operations (e)
1	Operating Revenues:					
2	Sales to Customers	\$ 1,149,587,391	\$ 61,608,936	\$ 1,211,196,327	\$ (329,525)	\$ 1,210,866,802
3	Municipal Additions	49,951,006	(49,951,006)	-	-	-
4	Other Operating Revenues	17,329,860	2,470,433	19,800,294	184,000	19,984,294
5	Total Operating Revenues	\$ 1,216,868,256	\$ 14,128,364	\$ 1,230,996,620	\$ (145,525)	\$ 1,230,851,095
6						
7	Operating Revenue Deductions:					
8	Gas Costs:					
9	Purchased Gas	\$ 737,851,058	\$ 50,189,196	\$ 788,040,254	\$ -	\$ 788,040,254
10	Total Production Expenses	\$ 737,851,058	\$ 50,189,196	\$ 788,040,254	\$ -	\$ 788,040,254
11						
12	Other Energy Supply Expenses	1,873,117	23,880	1,896,997		1,896,997
13	Transmission Expense	394,280	4,041	398,321		398,321
14	Distribution Expense	51,612,729	552,348	52,165,077		52,165,077
15	Customer Accounts Expense	28,177,045	(490,760)	27,686,285	(412)	27,685,873
16	Customer Service Expense	4,829,560	(3,403,137)	1,426,423		1,426,423
17	Conservation Amortization	7,669,601	(7,669,601)	0		0
18	Administrative & General Expense	44,215,773	(2,755,935)	41,459,838	(291)	41,459,547
19	Depreciation	82,190,938	6,248,636	88,439,575		88,439,575
20	Amortization	15,618,788	0	15,618,788		15,618,788
21	Amortization Property Gain/Loss					
22	Other Operating Expense	781,404	2,048,944	2,830,348		2,830,348
23	FAS 133					
24	Taxes Other than Income Taxes	108,410,162	(47,394,243)	61,015,919	(5,590)	61,010,329
25	Income Taxes	(21,984,884)	15,820,772	(6,164,112)	(48,731)	(6,212,843)
26	Deferred Income Taxes	43,878,484	(1,810,249)	42,068,235		42,068,235
27	Total Operating Expense	\$ 1,105,518,056	\$ 11,363,893	\$ 1,116,881,949	\$ (55,024)	\$ 1,116,826,925
28						
29	Net Operating Income:	\$ 111,350,201	\$ 2,764,471	\$ 114,114,672	\$ (90,501)	\$ 114,024,171
30						
31	Rate Base:					
32	Gross Utility Plant In Service	\$ 2,496,529,564	\$ 3,262,907	\$ 2,499,792,471	\$ -	\$ 2,499,792,471
33	Accum. Depreciation and Amortization	(837,320,044)	(3,859,291)	(841,179,335)		(841,179,335)
34	Deferred Taxes	(208,946,049)	(1,871,712)	(210,817,761)		(210,817,761)
35	Other	(27,028,861)	1,311,111	(25,717,750)		(25,717,750)
36	Total Net Investment	\$ 1,423,234,610	\$ (1,156,985)	\$ 1,422,077,625	\$ -	\$ 1,422,077,625
37	Allowance for Working Capital	\$ 51,102,877	-	\$ 51,102,877		\$ 51,102,877
38	Total Rate Base	\$ 1,474,337,487	\$ (1,156,985)	\$ 1,473,180,502	\$ -	\$ 1,473,180,502
39						
40	Rate of Return	7.55%		7.75%		7.74%

REDACTED

Puget Sound Energy - Gas
 Pro Forma Results of Operations
 Public Counsel Revenue Requirement Summary
 Adjustment Detail (Page 1)

Line No.	Description	Actual Results of Operations (a)	Temperature Normalization Adj. 9.01 (b)	Revenues and Expenses Adj. 9.02 (c)	Net Interest to IRS Adj. 9.03 (d)	Federal Income Tax Adj. 9.04 (e)	Tax Benefit of Pro Forma Interest Adj. 9.05 (f)	Depreciation Study Adj. 9.06 (g)
1	Operating Revenues:							
2	Sales to Customers	\$ 1,149,587,391	\$ (55,696,079)	\$ 76,028,962	\$ -	\$ -	\$ -	\$ -
3	Municipal Additions	49,951,006						
4	Other Operating Revenues	17,329,860		(1,203,189)				
5	Total Operating Revenues	\$ 1,216,868,256	\$ (55,696,079)	\$ 74,825,773	\$ -	\$ -	\$ -	\$ -
6	Operating Revenue Deductions:							
7	Gas Costs:							
8	Purchased Gas	\$ 737,851,058	\$ (39,777,834)	\$ 39,406,641	\$ -	\$ -	\$ -	\$ -
9	Total Production Expenses	\$ 737,851,058	\$ (39,777,834)	\$ 39,406,641	\$ -	\$ -	\$ -	\$ -
10	Other Energy Supply Expenses	1,873,117						
11	Transmission Expense	394,280						
12	Distribution Expense	51,612,729						
13	Customer Accounts Expense	28,177,045	(157,787)	211,981				
14	Customer Service Expense	4,829,560						
15	Conservation Amortization	7,669,601						
16	Administrative & General Expense	44,215,773	(111,392)	149,652				
17	Depreciation	82,190,938						6,218,349
18	Amortization	15,618,788						0
19	Amortization Property Gain/Loss	781,404			1,566,772			
20	Other Operating Expense							
21	FAS 133							
22	Taxes Other than Income Taxes	108,410,162	(2,139,342)	2,874,133				
23	Income Taxes	(21,984,884)	(4,728,403)	11,264,178	(548,370)	925,796	6,980,296	
24	Deferred Income Taxes	43,878,484				(1,953,835)		
25	Total Operating Expense	\$ 1,105,518,056	\$ (46,914,758)	\$ 53,906,584	\$ 1,018,402	\$ (1,028,039)	\$ 6,980,296	\$ 6,218,349
26	Net Operating Income:	\$ 111,350,201	\$ (8,781,321)	\$ 20,919,189	\$ (1,018,402)	\$ 1,028,039	\$ (6,980,296)	\$ (6,218,349)
27	Rate Base:							
28	Gross Utility Plant In Service	\$ 2,496,529,564	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29	Accum. Depreciation and Amortization	(837,320,044)			(783,386)			(3,109,174)
30	Deferred Taxes	(208,946,049)			(1,443,693)			
31	Other	(27,028,861)			1,311,111			
32	Total Net Investment	\$ 1,423,234,610	\$ -	\$ -	\$ (915,968)	\$ -	\$ -	\$ (3,109,174)
33	Allowance for Working Capital	\$ 51,102,877						
34	Total Rate Base	\$ 1,474,337,487	\$ -	\$ -	\$ (915,968)	\$ -	\$ -	\$ (3,109,174)

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Puget Sound Energy - Gas
 Pro Forma Results of Operations
 Public Counsel Revenue Requirement Summary
 Adjustment Detail (Page 2)

Line No.	Description	Pass-Through Rev & Exp Adj. 9.07 (h)	Bad Debts Adj. 9.08 (i)	Miscellaneous Operating Expense Adj. 9.09 (j)	Property Taxes Adj. 9.10 (k)	Excise Tax & Filing Fee Adj. 9.11 (l)	D&O Insurance Adj. 9.12 (m)	Interest on Customer Deposits Adj. 9.13 (n)
1	Operating Revenues:							
2	Sales to Customers	\$ 41,276,054						
3	Municipal Additions	(49,951,006)						
4	Other Operating Revenues			464,362				
5	Total Operating Revenues	\$ (8,674,952)	\$ -	\$ 464,362	\$ -	\$ -	\$ -	\$ -
6								
7	Operating Revenue Deductions:							
8	Gas Costs:							
9	Purchased Gas	\$ 50,560,390						
10	Total Production Expenses	\$ 50,560,390	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11								
12	Other Power Supply Expenses							
13	Transmission Expense							
14	Distribution Expense							
15	Customer Accounts Expense	(24,576)	(699,342)					
16	Customer Service Expense	(3,417,545)						
17	Conservation Amortization	(7,669,601)						
18	Administrative & General Expense	(17,350)		(912,179)			(326,282)	
19	Depreciation							
20	Amortization							
21	Amortization Property Gain/Loss							
22	Other Operating Expense							
23	FAS 133							
24	Taxes Other than Income Taxes	(48,633,839)			1,372,968	(1,066,354)		
25	Income Taxes	184,649	244,770	481,789	(480,539)	373,224	114,199	
26	Deferred Income Taxes							
27	Total Operating Expense	\$ (9,017,872)	\$ (454,572)	\$ (430,390)	\$ 892,429	\$ (693,130)	\$ (212,083)	\$ 30,273
28								
29	Net Operating Income:	\$ 342,920	\$ 454,572	\$ 894,752	\$ (892,429)	\$ 693,130	\$ 212,083	\$ (30,273)
30								
31	Rate Base:							
32	Gross Utility Plant In Service							
33	Accum. Depreciation and Amortization							
34	Deferred Taxes							
35	Other							
36	Total Net Investment							
37	Allowance for Working Capital							
38	Total Rate Base							

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Puget Sound Energy - Gas
 Pro Forma Results of Operations
 Public Counsel Revenue Requirement Summary
 Adjustment Detail (Page 3)

Line No.	Description	Rate Case Expenses Adj. 9.14 (o)	Deferred Gain/Loss on Property Sales Adj. 9.15 (p)	Property & Liability Insurance Adj. 9.16 (q)	Pension Plan Adj. 9.17 (r)	Wage Increase Adj. 9.18 (s)	Investment Plan Adj. 9.19 (t)	Employee Insurance Adj. 9.20 (u)
1	Operating Revenues:							
2	Sales to Customers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Municipal Additions							
4	Other Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Total Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6								
7	Operating Revenue Deductions:							
8	Gas Costs:							
9	Purchased Gas	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Total Production Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11								
12	Other Energy Supply Expenses	\$ -	\$ -	\$ -	\$ -	\$ 49,226	\$ -	\$ -
13	Transmission Expense					7,637		
14	Distribution Expense					990,184		
15	Customer Accounts Expense					293,660		
16	Customer Service Expense					38,264		
17	Conservation Amortization							
18	Administrative & General Expense	(236,859)		(410,247)	404,034	310,175	95,445	426,217
19	Depreciation							
20	Amortization							
21	Amortization Property Gain/Loss		482,172					
22	Other Operating Expense							
23	FAS 133							
24	Taxes Other than Income Taxes							
25	Income Taxes	82,901	(168,760)	143,586	(141,412)	145,231	(33,406)	(149,176)
26	Deferred Income Taxes	(153,958)	313,412	(266,660)	262,622	1,192,345	62,039	277,041
27	Total Operating Expense	\$ (153,958)	\$ 313,412	\$ (266,660)	\$ 262,622	\$ 1,192,345	\$ (62,039)	\$ (277,041)
28								
29	Net Operating Income:	\$ 153,958	\$ (313,412)	\$ 266,660	\$ (262,622)	\$ (1,192,345)	\$ (62,039)	\$ (277,041)
30								
31	Rate Base:							
32	Gross Utility Plant In Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Accum. Depreciation and Amortization							
34	Deferred Taxes							
35	Other							
36	Total Net Investment							
37	Allowance for Working Capital							
38	Total Rate Base	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
39	Deferred Taxes							
40	Allowance for Working Capital							
41	Other							
42	Total Rate Base	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
43								
44	Rate of Return							

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Puget Sound Energy - Gas
 Pro Forma Results of Operations
 Public Counsel Revenue Requirement Summary
 Adjustment Detail (Page 4)

Line No.	Description	Incentive Pay Adj. 9.21 (v)	Merger Savings Adj. 9.22 (w)	Fleet Vehicles Adj. 9.23 (x)	Excess Aircraft Costs Adj. 9.24 (y)	Normalize Injuries & Damages Adj. 9.25 (z)	Jackson Prairie Plant Adj. 9.26 (aa)	Starting Point Error - Reconciling Adj. 9.26 (ab)	Total Adjustment (ac)	Adjusted Results of Operations (ad)
1	Operating Revenues:									
2	Sales to Customers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61,608,936	\$ 1,211,196,327
3	Municipal Additions								(49,951,006)	
4	Other Operating Revenues							3,209,260	2,470,433	19,800,294
5	Total Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,209,260	\$ 14,128,364	\$ 1,230,996,620
6										
7	Operating Revenue Deductions:									
8	Gas Costs:									
9	Purchased Gas	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,189,196	\$ 788,040,254
10	Total Production Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,189,196	\$ 788,040,254
11										
12	Other Energy Supply Expenses	(25,346)							23,880	1,896,997
13	Transmission Expense	(3,596)							4,041	398,321
14	Distribution Expense	(437,836)							552,348	52,165,077
15	Customer Accounts Expense	(154,061)						9,092	(490,760)	27,686,285
16	Customer Service Expense	(23,856)							(3,403,137)	1,426,423
17	Conservation Amortization								(7,669,601)	0
18	Administrative & General Expense	(232,356)	(478,634)	(1,512,141)	(120,550)	(200,133)		6,419	(2,755,935)	41,459,838
19	Depreciation			440,534					6,248,636	88,439,575
20	Amortization								0	15,618,788
21	Amortization Property Gain/Loss									
22	Other Operating Expense								2,048,944	2,830,348
23	FAS 133									
24	Taxes Other than Income Taxes	(70,311)							(47,394,243)	61,015,919
25	Income Taxes	331,577	167,522	375,062	42,193	70,047		123,271	15,820,772	(6,164,112)
26	Deferred Income Taxes							1,074,668		42,068,235
27	Total Operating Expense	\$ (615,785)	\$ (311,112)	\$ (696,545)	\$ (78,358)	\$ (130,086)	\$ -	\$ 1,213,449	\$ 11,363,893	\$ 1,116,881,949
28										
29	Net Operating Income:	\$ 615,785	\$ 311,112	\$ 696,545	\$ 78,358	\$ 130,086	\$ -	\$ 1,995,811	\$ 2,764,471	\$ 114,114,672
30										
31	Rate Base:									
32	Gross Utility Plant In Service	\$ -	\$ -	\$ 4,805,828	\$ (802,297)	\$ -	\$ (740,624)		\$ 3,262,907	\$ 2,499,792,471
33	Accum. Depreciation and Amortization			(330,401)	363,671				(3,859,291)	(841,179,335)
34	Deferred Taxes			(397,569)	(30,450)				(1,871,712)	(210,817,761)
35	Other								1,311,111	(25,717,750)
36	Total Net Investment	\$ -	\$ -	\$ 4,077,858	\$ (469,076)	\$ -	\$ (740,624)		\$ (1,156,985)	\$ 1,422,077,625
37	Allowance for Working Capital									51,102,877
38	Total Rate Base	\$ -	\$ -	\$ 4,077,858	\$ (469,076)	\$ -	\$ (740,624)		\$ (1,156,985)	\$ 1,473,180,502

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY-GAS
ADJUSTMENT 9.01 TEMPERATURE NORMALIZATION
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
UNCONTESTED

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	TEMPERATURE NORMALIZATION ADJUSTMENT:			
2		ACTUAL	TEMP ADJ	THERMS
3		<u>THERMS</u>	<u>THERMS</u>	<u>CHANGE</u>
4	Jan-08	168,295,469	154,988,222	(13,307,247)
5	Feb-08	138,172,032	140,517,165	2,345,133
6	Mar-08	131,490,969	115,895,730	(15,595,239)
7	Apr-08	109,964,622	95,180,930	(14,783,692)
8	May-08	76,590,248	76,738,761	148,513
9	Jun-08	57,746,204	52,990,507	(4,755,697)
10	Jul-08	44,469,072	44,469,072	0
11	Aug-08	44,755,273	44,755,273	0
12	Sep-08	52,251,636	52,894,735	643,099
13	Oct-08	82,272,893	79,217,192	(3,055,701)
14	Nov-08	104,695,969	121,277,545	16,581,576
15	Dec-08	157,188,316	141,383,989	(15,804,327)
16		<u>1,167,892,703</u>	<u>1,120,309,121</u>	<u>(47,583,582)</u>
17				
18	REVENUE ADJUSTMENT:			
19	Residential (23, 53)			\$ (39,901,123)
20	Residential (16)			0
21	Commercial & industrial (31)			(12,695,194)
22	Large volume (41)			(1,068,987)
23	Compressed natural gas (50)			0
24	Interruptible (85)			(259,451)
25	Limited interruptible (86)			(892,487)
26	Non exclusive interruptible (87)			(834,177)
27	Transportation (57)			(30,254)
28	Contracts (99)			<u>(14,406)</u>
29	INCREASE (DECREASE) SALES TO CUSTOMERS			\$ (55,696,079)
30	OPERATING EXPENSES			
31	PURCHASED GAS COSTS			\$ (39,777,834)
32				\$ (39,777,834)
33				
34	UNCOLLECTIBLES @		0.00283	\$ (157,787)
35	ANNUAL FILING FEE @		0.00200	<u>(111,392)</u>
36	INCREASE (DECREASE) EXPENSES			(269,179)
37				
38	STATE UTILITY TAX @		0.03841	<u>\$ (2,139,342)</u>
39	INCREASE (DECREASE) TAXES OTHER			<u>(2,139,342)</u>
40				
41	INCREASE (DECREASE) INCOME			(13,509,724)
42				
43	INCREASE (DECREASE) FIT @		35%	<u>(4,728,403)</u>
44	INCREASE (DECREASE) NOI			<u>\$ (8,781,321)</u>

Public Counsel Revenue Requirement Summary
 PUGET SOUND ENERGY - GAS
 ADJUSTMENT 9.02 REVENUE AND EXPENSES
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
 GENERAL RATE INCREASE
 CONTESTED

LINE NO.	DESCRIPTION	ADJUSTMENT
1	SALES TO CUSTOMERS:	
2	ADD GRC INCREASE DOCKET UG-072301	\$ 38,581,189
3	RECLASS PENALTIES AND NEW CUSTOMER REVENUE TO	
4	OTHER OPERATING	(1,004,369)
5	OCTOBER 2007 PURCHASED GAS	
6	ADJUSTMENT, DOCKET UG-071775.	49,392,484
7	CONSERVATION ADJUSTMENT	-
8	TRUE UP CHANGE IN UNBILLED	(10,981,123)
9	OTHER ADJUSTMENTS	40,781
10	RESTATING ADJUSTMENTS SALES TO CUSTOMERS	<u>76,028,962</u>
11		
12	TOTAL INCREASE (DECREASE) SALES TO CUSTOMERS	\$ 76,028,962
13		
14	OTHER OPERATING REVENUES	
15	RENTALS:	
16	ADD GRC INCREASE DOCKET 060266	888,730
17	TRUE UP CHANGE IN UNBILLED	112,972
18	OTHER OPERATING REVENUES	
19	RECLASS PENALTIES AND NEW CUSTOMER REVENUE	
20	FROM SALES TO CUSTOMERS	1,004,369
21	REMOVE EVERETT DELTA LEASE REVENUES	<u>(3,209,260)</u>
22	TOTAL INCREASE (DECREASE) OTHER OPERATING REVENUE	<u>(1,203,189)</u>
23		
24	TOTAL INCREASE (DECREASE) REVENUES	74,825,773
25		
26	OPERATING EXPENSES:	
27	PURCHASED GAS COSTS	
28	2007 GRC INCREASE DOCKET UG-072301	\$ 14,999
29	RECLASS PENALTIES AND NEW CUSTOMER REVENUE TO	
30	OTHER OPERATING	\$ -
31	OCTOBER 2007 PURCHASED GAS ADJUSTMENT	
32	DOCKET UG-071775	\$ 47,259,204
33	CONSERVATION	\$ -
34	TRUE UP CHANGE IN UNBILLED	\$ (7,866,368)
35	OTHER ADJUSTMENTS	\$ <u>(1,194)</u>
36	TOTAL PURCHASE GAS COSTS	<u>\$ 39,406,641</u>
37		
38	UNCOLLECTIBLES @ 0.00283	\$ 211,981
39	ANNUAL FILING FEE @ 0.00200	<u>149,652</u>
40	INCREASE (DECREASE) EXPENSES	39,768,274
41		
42	STATE UTILITY TAX @ 0.03841	<u>\$ 2,874,133</u>
43		
44	INCREASE (DECREASE) TAXES OTHER	<u>2,874,133</u>
45		
46	INCREASE (DECREASE) INCOME	32,183,367
47	INCREASE (DECREASE) FIT @ 35%	<u>11,264,178</u>
48	INCREASE (DECREASE) NOI	<u>\$ 20,919,189</u>
49		
50	The impact of the changes to this PSE adjustment were reflected within Schedule C-1	
51	of Exhibit No. (JRD-3C)	

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.03 NET INTEREST PAID TO IRS ON SSCM
FOR TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
UNCONTESTED

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	<u>DEFERRED SSCM NET INTEREST PAID TO IRS</u>			
2	GROSS DEFERRED BALANCE	\$ 1,822,433	\$ 3,133,544	\$ 1,311,111
3	ACCUM AMORTIZATION		(783,386)	(783,386)
4	DEFERRED FEDERAL INCOME TAX	621,138	(822,555)	(1,443,693)
5	NET DEFERRED INTEREST ADDITION TO RATEBASE	<u>\$ 2,443,571</u>	<u>\$ 1,527,603</u>	<u>\$ (915,968)</u>
6				
7	<u>AMORTIZATION OF DEFERRED SSCM NET INTEREST PAID TO IRS</u>			
8	AMORTIZATION EXPENSE		1,566,772	1,566,772
9	TOTAL OPERATING EXPENSES	<u>\$ -</u>	<u>\$ 1,566,772</u>	<u>\$ 1,566,772</u>
10				
11	INCREASE (DECREASE) EXPENSE			\$ 1,566,772
12				
13	INCREASE (DECREASE) FIT @		35%	(548,370)
14	INCREASE (DECREASE) NOI			<u><u>\$ 1,018,402</u></u>

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.04 INCOME TAX
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE CASE
CONTESTED

LINE NO.	DESCRIPTION	AMOUNT
1	TAXABLE INCOME AS PROPOSED BY PSE	\$ (59,848,019)
2		
3	<i>ELIMINATE SECTION 162 M LIMITATION</i>	<u>(320,804)</u>
4		
5	PUBLIC COUNSEL PROPOSED TAXABLE INCOME	(60,168,823)
6		
7	FEDERAL INCOME TAX	
8	CURRENT FIT @ 35%	(21,059,088)
9	DEFERRED FIT - DEBIT	47,432,293
10	DEFERRED FIT - CREDIT	(4,870,567)
11	DEFERRED FIT - INV TAX CREDIT, NET OF AMORTIZATION	<u>(637,077)</u>
12	TOTAL RESTATED FIT	\$ 20,865,561
13		
14	FIT PER BOOKS:	
15	CURRENT FIT	\$ (21,984,884)
16	DEFERRED FIT - DEBIT	54,835,444
17	DEFERRED FIT - CREDIT	(10,319,883)
18	DEFERRED FIT - INV TAX CREDIT, NET OF AMORTIZATION	<u>(637,077)</u>
19		
20	TOTAL CHARGED TO EXPENSE	\$ 21,893,600
21		
22	INCREASE(DECREASE) FIT	\$ 925,796
23	INCREASE(DECREASE) DEFERRED FIT	(1,953,835)
24	INCREASE(DECREASE) ITC	-
25	INCREASE(DECREASE) NOI	<u>\$ 1,028,039</u>
26		
27	The impact of the changes to this PSE adjustment were reflected within Schedule C-11	
28	of Exhibit No. __ (JRD-3C)	

**Public Counsel Revenue Requirement Summary
 PUGET SOUND ENERGY - GAS
 ADJUSTMENT 9.05 BENEFIT OF PRO FORMA INTEREST
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
 GENERAL RATE INCREASE
 CONTESTED**

LINE NO.	DESCRIPTION	AMOUNT
1	RATE BASE	\$ 1,473,180,502
2		
3	NET RATE BASE	\$ 1,473,180,502
4		
5	WEIGHTED COST OF DEBT	3.65%
6	PROFORMA INTEREST	\$ 53,771,088
7		
8		
9	<u>INTEREST EXPENSE ITEMS PER BOOKS:</u>	
10	INTEREST ON LONG TERM DEBT	\$ 64,633,838
11	AMORTIZATION OF DEBT DISCOUNT	
12	AND EXPENSE, NET OF PREMIUMS	1,199,627
13	INTEREST ON DEBT TO ASSOCIATED	
14	ASSOCIATED COMPANIES	288,111
15	OTHER INTEREST EXPENSE	7,623,489
16	LESS: INTEREST ON CUSTOMER DEPOSITS	(30,273)
17	CHARGED TO EXPENSE IN TEST YEAR	73,714,792
18		
19	INCREASE (DECREASE) INCOME	\$ 19,943,704
20		
21	INCREASE (DECREASE) FIT @	35% 6,980,296
22	INCREASE (DECREASE) NOI	\$ (6,980,296)
23		
24	The impact of changes to this PSE-proposed adjustment was reflected	
25	on Schedule C-13 of Public Counsel Exhibit No.__(JRD-3C)	

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.06 DEPRECIATION STUDY
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
UNCONTESTED

REDACTED

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	<u>ADJUSTMENT TO OPERATING EXPENSES</u>			
2	403 DEPRECIATION EXPENSE	\$ 76,528,830	\$ 81,276,393	\$ 4,747,564
3	403 GAS PORTION OF COMMON	2,951,555	4,422,340	1,470,785
4	403 DEPR. EXP. ON ASSETS NOT INCLUDED IN STUDY	1,147,453	1,147,453	-
5	SUBTOTAL DEPRECIATION EXPENSE 403	<u>\$ 80,627,838</u>	<u>\$ 86,846,187</u>	<u>\$ 6,218,349</u>
6				
7	403.1 DEPR. EXP- FAS 143 (RECOVERED IN RATES)	1,562,355	1,563,100	745
8	403.1 DEPR. EXP - FAS 143 (NOT RECOVERED IN RATES)	745	-	(745)
9	SUBTOTAL DEPRECIATION EXPENSE 403.1	<u>\$ 1,563,100</u>	<u>\$ 1,563,100</u>	<u>\$ (0)</u>
10				
11	TOTAL DEPRECIATION EXPENSE	<u>82,190,938</u>	<u>88,409,287</u>	<u>6,218,349</u>
12				
13	4111 ACCRETION EXP. - FAS 143 (RECOVERED IN RATES)	403,917	404,887	970
14	4111 ACCRETION EXP. - FAS 143 (NOT RECOVERED IN RATES)	970	-	(970)
15	SUBTOTAL ACCRETION EXPENSE 411.1	<u>\$ 404,887</u>	<u>\$ 404,887</u>	<u>\$ 0</u>
16				
17	FLEET DEPR. EXP. ON INC STMNT NOT RECORDED IN 403			\$ -
18				
19	INCREASE(DECREASE) EXPENSE			\$ 6,218,349
20	INCREASE(DECREASE) FIT			-
21	INCREASE(DECREASE) DFIT			-
22	INCREASE(DECREASE) FIT @		35%	-
23	INCREASE(DECREASE) NOI			<u>\$ (6,218,349)</u>
24				
25				
26	<u>ADJUSTMENT TO RATE BASE</u>			
27	ADJUST ACCUM DEPR FOR ADDITIONAL DEPR EXP (50% OF LINE 19)			\$ (3,109,174)
28	ADJUST ACCUMULATED DFIT FOR ADDITIONAL EXPENSE (50% OF LINE 21)			-
29	TOTAL ADJUSTMENT TO RATEBASE			<u>\$ (3,109,174)</u>

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.07 PASS THROUGH REVENUE AND EXPENSE
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
UNCONTESTED

LINE NO.	DESCRIPTION	ADJUSTMENT
1	<u>REMOVE REVENUES ASSOCIATED WITH RIDERS:</u>	
2	REMOVE LOW INCOME - SCHEDULE 129	\$ 3,573,781
3	REMOVE CONSERVATION - SCHEDULE 120	8,020,557
4	REMOVE REVENUE ASSOC WITH PGA AMORTIZATION - SCHEDULE 106	(52,870,391)
5	REMOVE MUNICIPAL TAXES ASSOC WITH SALES TO CUSTOMERS	49,586,556
6	REMOVE MUNICIPAL TAXES ASSOC WITH OTHER OPRTG REV	364,449
7	TOTAL (INCREASE) DECREASE REVENUES	<u>\$ 8,674,952</u>
8		
9	<u>ADJUST REVENUE SENSITIVE ITEMS FOR REMOVAL OF REVENUE:</u>	
10	BAD DEBTS	0.283300% (24,576)
11	ANNUAL FILING FEE	0.200000% (17,350)
12	STATE UTILITY TAX	3.841100% (333,214)
13	TOTAL INCREASE (DECREASE) EXPENSE	<u>4.369178% \$ (375,140)</u>
14		
15	<u>REMOVE EXPENSES ASSOCIATED WITH RIDERS</u>	
16	REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129	(3,417,545)
17	REMOVE CONSERVATION AMORTIZATION - SCHEDULE 120	(7,669,601)
18	REMOVE PGA DEFERRAL AMORTIZATION EXP - SCHEDULE 106	50,560,390
19	REMOVE MUNICIPAL TAXES ASSOC WITH SALES TO CUSTOMERS	(48,300,625)
20	REMOVE MUNICIPAL TAXES ASSOC WITH OTHER OPRTG REV	<u>INCL. ABOVE</u>
21	TOTAL INCREASE (DECREASE) EXPENSE	<u>\$ (8,827,381)</u>
22		
23	INCREASE (DECREASE) IN OPERATING INCOME BEFORE TAXES	527,569
24	INCREASE (DECREASE) FIT	184,649
25	INCREASE (DECREASE) NOI	<u>\$ 342,920</u>

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.08 BAD DEBTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
UNCONTESTED

REDACTED

LINE NO.	DESCRIPTION	NET WRITEOFFS	GROSS REVENUES	AMOUNT
1	12 MOS ENDED	DECEMBER	AUGUST	
2	2004	\$ 2,215,292	\$ 727,351,085	0.3046%
3	2005	\$ 2,918,686	\$ 1,224,844,682	0.2383%
4	2007	\$ 3,664,592	\$ 1,193,302,341	0.3071%
5	3-Yr Average of Net Write Off Rate			0.2833%
6				
7	Test Period Revenues		\$ 1,216,868,256	
8				
9	PROFORMA BAD DEBT RATE		0.2833%	
10	PROFORMA BAD DEBTS		\$ 3,447,388	
11				
12	UNCOLLECTIBLES CHARGED TO EXPENSE IN TEST YEAR		4,146,730	
13	INCREASE (DECREASE) EXPENSE			\$ (699,342)
14				
15	INCREASE (DECREASE) FIT		35%	244,770
16	INCREASE (DECREASE) NOI			\$ 454,572

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.09 MISCELLANEOUS OPERATING EXPENSES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
CONTESTED

LINE NO.	DESCRIPTION	Test Year	Restated Proforma Level	Adjustment
1	<u>OPERATING REVENUES</u>			
2	Other Operating Revenues			
3	Amortization of Summit Buyout Purchase Option	\$ 92,873	\$ 557,235	\$ 464,362
4	Increase (Decrease) in Revenue	\$ 92,873	\$ 557,235	\$ 464,362
5				
6				
7	<u>OPERATING EXPENSES</u>			
8	Amort of Deferred Taxes of Indirect Overheads			
9	Regulatory Asset (WUTC DOC # UG-051528)	\$ 1,414,931	\$ -	\$ (1,414,931)
10	Increase in Service Contract O&M Baseline Charges, Transmission	60,713	60,713	0
11	Increase in Service Contract O&M Baseline Charges, Distribution	13,419,246	13,419,246	0
12	Company Store- Net Purchase/Sales of Merchandise in A&G	(1,301)	-	1,301
13	Summit Building Contractual Rent 4th Floor-New	106,062	277,205	171,143
14	Summit Building Contractual Rent Increases	888,289		(888,289)
15	Airport Parking	7,193	1,233,184	1,225,991
16	Athletic Events - Charged Above the Line	7,394	0	(7,394)
17	Increase(Decrease) in Expense	15,902,527	14,990,348	(912,179)
18				
19	Total Increase(Decrease) in Income			1,376,541
20	Increase(Decrease) FIT @ 35%			481,789
21				
22	Increase(Decrease) NOI			\$ 894,752
23				
24	The impact of the changes to this PSE adjustment were reflected within Schedule C-5			
25	of Exhibit No.__(JRD-3C)			

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.10 PROPERTY TAX
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
CONTESTED

LINE NO.	DESCRIPTION	TOTAL	
1	RESTATED PROPERTY TAX	11,635,391	
2	CHARGED TO EXPENSE IN TY	10,262,423	
3	INCREASE(DECREASE) OPERATING EXPENSE	\$ 1,372,968	
4			
5	TOTAL INCREASE(DECREASE) OPERATING EXPENSE (LINE 3)	\$ 1,372,968	
6	INCREASE(DECREASE) FIT @ 35%	(480,539)	
7	INCREASE(DECREASE) NOI	<table border="1"><tr><td>\$ (892,429)</td></tr></table>	\$ (892,429)
\$ (892,429)			
8			
9			
10	The impact of the changes to this PSE adjustment were reflected within Schedule C-10		
11	of Exhibit No. __ (JRD-3C)		

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.11 EXCISE TAX & FILING FEE
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
UNCONTESTED

LINE NO.	DESCRIPTION	AMOUNT
1	RESTATED EXCISE TAXES	\$ 45,358,667
2	CHARGED TO EXPENSE FOR TEST YEAR	46,425,021
3	INCREASE(DECREASE) EXCISE TAX	\$ (1,066,354)
4		
5	RESTATED WUTC FILING FEE	\$ 2,377,938
6	CHARGED TO EXPENSE FOR TEST YEAR	2,377,938
7	INCREASE(DECREASE) WUTC FILING FEE	\$ 0
8		
9	INCREASE(DECREASE) OPERATING EXPENSE	\$ (1,066,354)
10		
11	INCREASE(DECREASE) FIT 35%	\$ 373,224
12	INCREASE(DECREASE) NOI	\$ 693,130

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.12 D&O INSURANCE
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
CONTESTED

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1	<i>Proforma Directors and Officers' Liability</i>	
2	<i>Insurance for electric operations as proposed</i>	
3	<i>by PSE (Exh No. (MJS-9) Adj't 9.12)</i>	<u>\$ 214,244</u>
4		
5	<i>Restated D&O Insurance Expense - Divide by 2</i>	<u>107,122</u>
6		
7	Test Period D&O Insurance Expense	433,404
8		
9	Adjustment	(326,282)
10		
11	Income Taxes	35% <u>114,199</u>
12		
13	Impact on Net Operating Income	<u><u>212,083</u></u>
14		
15		
16	The impact of the changes to this PSE adjustment were reflected within	
17	Schedule C-9 of Exhibit No.__(JRD-3C)	

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.13 INTEREST ON CUSTOMER DEPOSITS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
2009 GENERAL RATE INCREASE
UNCONTESTED

LINE NO.	DESCRIPTION	AMOUNT
1	INTEREST EXPENSE FOR THE RESTATED TEST YEAR	\$ 30,273
2		
3	INCREASE (DECREASE) NOI	\$ (30,273)

Public Counsel Revenue Requirement Summary
 PUGET SOUND ENERGY-GAS
 ADJUSTMENT 9.14 RATE CASE EXPENSES
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
 GENERAL RATE INCREASE
 UNCONTESTED

LINE NO.	DESCRIPTION	AMOUNT
1	EXPENSES TO BE NORMALIZED:	
2		
3	ESTIMATED 2006 and 2007 GRC EXPENSES TO BE NORMALIZED	<u>\$ 1,139,000</u>
4		
5	ANNUAL NORMALIZATION (LINE 3 / 2 YEARS)	569,500
6	LESS TEST YEAR EXPENSE: GRC DIRECT CHARGES TO O&M	<u>806,359</u>
7		
8	INCREASE (DECREASE) EXPENSE	<u>\$ (236,859) (236,859)</u>
9		
10		
11	TOTAL INCREASE (DECREASE) EXPENSE	\$ (236,859)
12		
13	INCREASE(DECREASE) FIT @	35% 82,901
14	INCREASE(DECREASE) NOI	<u>\$ 153,958</u>

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.15 DEFERRED GAINS/LOSSES ON PROPERTY SALES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
UNCONTESTED

1	DEFERRED GAIN RECORDED SINCE UE-072300, <i>et al.</i> at 03/31/2010	\$ (618,994)
2	DEFERRED LOSS RECORDED SINCE UE-072300, <i>et al.</i> at 03/31/2010	<u>164,927</u>
3	TOTAL DEFERRED NET (GAIN) LOSS TO AMORTIZE	\$ (454,067)
4		
5	AMORTIZATION OF DEFERRED NET (GAIN) LOSS FOR RATE YEAR (Line 3/3years)	(151,356)
6		
7	AMORTIZATION OF DEFERRED NET (GAIN) LOSS FOR TEST YEAR	(633,528)
8		
9	INCREASE (DECREASE) EXPENSE (Line 5 - Line 7)	<u>\$ 482,172</u>
10		
11	INCREASE (DECREASE) FIT @ 35%	35% <u>(168,760)</u>
12		
13	INCREASE (DECREASE) NOI	<u><u>\$ (313,412)</u></u>

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.16 PROPERTY & LIABILITY INSURANCE
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
CONTESTED

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA	ADJUSTMENT
1	PROPERTY INSURANCE EXPENSE	\$ 954,479	\$ 474,865	\$ (479,614)
2	LIABILITY INSURANCE EXPENSE	749,653	819,021	69,368
3	INCREASE(DECREASE) EXPENSE	\$ 1,704,133	\$ 1,293,886	\$ (410,247)
4				
5				
6	INCREASE (DECREASE) FIT @	35%		143,586
7	INCREASE (DECREASE) NOI			\$ 266,660
8				
9	The source for the Proforma Property Insurance Expense amount			
10	being proposed by Public Counsel is a supporting Excel spreadsheet			
11	entitled "Public Counsel Property Insurance Adjustment.xls"			
12				
13	The impact of the change in this Company-proposed adjustment was reflected on			
14	Schedule C-4 of Exhibit No.__(JRD-3C)			

REDACTED

**Public Counsel Revenue Requirement Summary
 PUGET SOUND ENERGY-GAS
 ADJUSTMENT 9.17 PENSION PLAN
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
 GENERAL RATE INCREASE
 CONTESTED**

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	QUALIFIED RETIREMENT FUND	\$ (84,802)	\$ 1,275,570	\$ 1,360,372
2	SERP PLAN	956,338		(956,338)
3	INCREASE(DECREASE) EXPENSE	\$ 871,537	\$ 1,275,570	\$ 404,034
4				
5	INCREASE(DECREASE) OPERATING EXPENSE			404,034
6				
7	INCREASE (DECREASE) FIT @	35%		(141,412)
8	INCREASE (DECREASE) NOI			<u>\$ (262,622)</u>
9				
10	Calculation of Restated Qualified Retirement Expense			
11	Pension Contributions to Qualified Retirement			
12	Plan for years ending December:			
13	2005			\$ -
14	2006			\$ -
15	2007			\$ -
16	2008			<u>\$ 24,500,000</u>
17				
18	Four year average of contributions to qualified			
19	retirement plans			\$ 6,125,000
20				
21	Allocate to Operations and Maintenance Expense			<u>59.40%</u>
22				
23	Subtotal - Pension contributions allocated to O&M			\$ 3,638,250
24				
25	Allocation to electric operations			<u>35.06%</u>
26				
27	Proforma electric operations pension expense			
28	recommended by Public Counsel			<u>1,275,570</u>
29				
30	The impact of the change in this Company-proposed adjustment was reflected on			
31	Schedules C-7 and C-8 of Exhibit No. __ (JRD-3C)			

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 10.18 WAGE INCREASE
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
2008 GENERAL RATE INCREASE
CONTESTED

LINE NO.	DESCRIPTION	TEST YEAR	RATE YEAR	ADJUSTMENT
1	WAGES:			
2	PRODUCTION MANUF. GAS	\$ 157,210	\$ 164,228	\$ 7,018
3	OTHER GAS SUPPLY	513,380	532,429	19,049
4	STORAGE, LNG T&G	517,951	541,110	23,159
5	TRANSMISSION	168,404	176,041	7,637
6	DISTRIBUTION	20,616,696	21,606,880	990,184
7	CUSTOMER ACCTS	7,375,878	7,669,538	293,660
8	CUSTOMER SERVICE	1,087,202	1,124,547	37,345
9	SALES	27,852	28,771	919
10	ADMIN. & GENERAL	10,569,517	10,879,692	310,175
11	TOTAL WAGE INCREASE	41,034,090	42,723,236	1,689,146
12				
13	PAYROLL TAXES	3,528,068	3,673,299	145,231
14	TOTAL WAGES & TAXES	\$ 44,562,158	\$ 46,396,535	\$ 1,834,377
15				
16	INCREASE (DECREASE) OPERATING EXPENSE			\$ 1,834,377
17	INCREASE (DECREASE) FIT @ 35%			(642,032)
18	INCREASE (DECREASE) NOI			<u>\$ (1,192,345)</u>
19				
20	The source for the Proforma Rate Year Wage/Payroll Tax Expense amount			
21	being proposed by Public Counsel is a supporting Excel spreadsheet			
22	entitled "Public Counsel PSE Wage Adjustment.xls"			
23				
24	The impact of the change in this Company-proposed adjustment was reflected on			
25	Schedule C-2 of Exhibit No. __ (JRD-3C)			

**Public Counsel Revenue Requirement Summary
 PUGET SOUND ENERGY-GAS
 ADJUSTMENT 9.19 INVESTMENT PLAN
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
 2009 GENERAL RATE INCREASE
 CONTESTED**

LINE NO.	DESCRIPTION	AMOUNT
1	<i>GAS O&M PAYROLL AS PROPOSED BY PUBLIC</i>	
2	<i>COUNSEL ON ADJ'T. NO. 9.18</i>	\$ 42,723,236
3		
4	TEST YEAR ACTUAL ELECTRIC O&M WAGE	<u>41,034,090</u>
5		
6	<i>FACTOR TO CONSIDER THE WAGE INCREASE BEING</i>	
7	<i>RECOMMENED BY THE PUBLIC COUNSEL (LINE 2/LINE 4)</i>	1.0412
8		
9	TEST YEAR ACTUAL INVESTMENT PLAN EXPENSE	<u>\$ 2,318,625</u>
10		
11	PROFORMA INVESTMENT PLAN EXPENSE	2,414,069
12		
13	INCREASE (DECREASE) IN EXPENSE	95,445
14	INCREASE (DECREASE) IN FIT @ 35%	<u>(33,406)</u>
15	INCREASE (DECREASE) IN NOI	<u>\$ 62,039</u>
16		
17		
18	The impact of the change in this Company-proposed adjustment was reflected on	
19	Schedule C-2 of Exhibit No.__(JRD-3C)	

**Public Counsel Revenue Requirement Summary
 PUGET SOUND ENERGY-GAS
 ADJUSTMENT 9.20 EMPLOYEE INSURANCE
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
 GENERAL RATE INCREASE
 CONTESTED**

REDACTED

LINE NO.	DESCRIPTION	AMOUNT
1	TEST YEAR AVERAG TOTAL NO. OF EMPLOYEES	2,613
2		
3	AVERAGE FLEX CREDIT PER EMPLOYEE PER	
4	MONTH EFFECTIVE IN 2009	<u>\$ 910</u>
5		
6	TOTAL FLEX CREDIT COSTS PER MONTH	\$ 2,377,830
7		
8	PROFORMA TOTAL PSE FLEX CREDITS - TIMES 12 MONTHS	28,533,960
9		
10	PERCENT TO GAS OPERATIONS	<u>35.06%</u>
11		
12	TOTAL PROFORMA ELECTRIC OPERATIONS FLEX CREDIT COSTS	10,004,006
13		
14	PERCENT TO GAS EXPENSE	<u>59.40%</u>
15		
16	PUBLIC COUNSEL PROPOSED PROFORMA FLEX	
17	CREDIT FOR GAS OPERATING EXPENSE	5,942,380
18		
19	CHARGED TO EXPENSE 12 MONTH ENDING DECEMBER 2008	<u>5,516,162</u>
20		
21	INCREASE(DECREASE) OPERATING EXPENSE	<u>426,217</u>
22		
23	INCREASE(DECREASE) FIT @ 35%	(149,176)
24		
25	INCREASE(DECREASE) NOI	<u><u>\$ (277,041)</u></u>
26		
27	The impact of the change in this Company-proposed adjustment was reflected on	
28	Schedule C-3 of Exhibit No. __ (JRD-3C)	

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY-GAS
ADJUSTMENT 9.21 INCENTIVE PAY
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
UNCONTESTED

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA RESTATED	ADJUSTMENT
1	INCENTIVE/MERIT PAY			
2	PRODUCTION MANUF. GAS	\$ 13,951	\$ 10,619	\$ (3,332)
3	OTHER GAS SUPPLY	45,892	34,929	(10,963)
4	STORAGE, LNG T&G	46,260	35,209	(11,051)
5	TRANSMISSION	15,053	11,457	(3,596)
6	DISTRIBUTION	1,844,509	1,406,673	(437,836)
7	CUSTOMER ACCTS	660,117	506,056	(154,061)
8	CUSTOMER SERVICE	97,292	74,050	(23,242)
9	SALES	2,570	1,956	(614)
10	ADMIN. & GENERAL	945,752	713,396	(232,356)
11	TOTAL INCENTIVE PAY	\$ 3,671,396	\$ 2,794,345	\$ (877,051)
12				
13	PAYROLL TAXES ASSOC WITH MERIT PAY	294,328	224,017	(70,311)
14	INCREASE(DECREASE) EXPENSE	3,965,724	3,018,362	(947,362)
15				
16	INCREASE (DECREASE) OPERATING EXPENSE			(947,362)
17				
18	INCREASE(DECREASE) FIT @		35%	331,577
19	INCREASE(DECREASE) NOI			\$ 615,785

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY-GAS
ADJUSTMENT 9.22 MERGER SAVINGS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
UNCONTESTED

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA RESTATED	ADJUSTMENT
1				
2	OPERATING EXPENSES			
3	MEGER COSTS	478,634	-	(478,634)
4	TOTAL INCREASE (DECREASE) EXPENSES			(478,634)
5				
6	INCREASE (DECREASE) INCOME			478,634
7				
8	INCREASE (DECREASE) FIT @	35%		\$ 167,522
9	INCREASE (DECREASE) NOI			\$ 311,112

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY-GAS
ADJUSTMENT 9.23 FLEET VEHICLES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
UNCONTESTED

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA RESTATED	ADJUSTMENT
1	<u>RATEBASE</u>			
2	FLEET BALANCE	\$ -	\$ 4,805,828	\$ 4,805,828
3	ACCUMULATED DEPRECIATION	-	(330,401)	(330,401)
4	DEFERRED FIT	-	(397,569)	(397,569)
5	<u>NET FLEET RATEBASE</u>	<u>\$ -</u>	<u>\$ 4,077,858</u>	<u>\$ 4,077,858</u>
6				
7				
8	<u>FLEET OPERATING EXPENSES</u>			
9	LEASE PAYMENT	\$ 1,512,141	\$ -	\$ (1,512,141)
10	DEPRECIATION EXPENSE		\$ 440,534	440,534
11	INCREASE (DECREASE) EXPENSE	\$ 1,512,141	\$ 440,534	\$ (1,071,607)
12				
13	INCREASE (DECREASE) EXPENSE	1,512,141	440,534	(1,071,607)
14				
15			35.00%	
16	INCREASE (DECREASE) FIT @	(529,249)	(154,187)	375,062
17	INCREASE (DECREASE) NOI	<u>\$ (982,892)</u>	<u>\$ (286,347)</u>	<u>\$ 696,545</u>

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.24 CORPORATE AIRCRAFT EXPENSE IN EXCESS OF ALTERNATIVE TRAVEL COSTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE
CONTESTED - INCREMENTAL PUBLIC COUNSEL ADJUSTMENT


LINE NO.	DESCRIPTION	TEST YEAR	RATE YEAR	ADJUSTMENT
1	<u>CORPORATE AIRCRAFT OPERATING EXPENSE</u>			
2	ADMINISTRATIVE AND GENERAL EXPENSE	\$ 160,256	\$ 90,686	\$ (69,570)
3	DEPRECIATION EXPENSE	50,980	-	(50,980)
4	TOTAL AMORTIZATION WILD HORSE EXPANSION	\$ 211,236	\$ 90,686	\$ (120,550)
5				
6	INCREASE (DECREASE) OPERATING EXPENSES			(120,550)
7				
8	INCREASE (DECREASE) FIT			42,193
9				
10	INCREASE (DECREASE) NOI			78,358
11				
12	<u>RATE BASE- CORPORATE AIRCRAFT COSTS</u>			
13	PLANT IN SERVICE	\$ 802,297	\$ -	\$ (802,297)
14	ACCUMULATED DEPRECIATION	(363,671)	-	363,671
15	ACCUMULATED DEFERRED INCOME TAXES	30,450	-	(30,450)
16	TOTAL AMOUNT OF AIRCRAFT COSTS IN RATE BASE	\$ 469,076	\$ -	\$ (469,076)
17				
18	This adjustment was reflected on Schedules B-1 and C-12 of Public Counsel Exhibit No. (JRD-3C)			

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY- GAS
ADJUSTMENT 9.25 NORMALIZE INJURIES AND DAMAGES EXPENSE
FOR TWELVE MONTHS ENDING DECEMBER 31, 2008
GENERAL RATE INCREASE
CONTESTED - INCREMENTAL PUBLIC COUNSEL ADJUSTMENT

Line No.	Description (a)	Year (b)	Source (c)
1	Accruals for Injuries and Damages Expense	2006	\$ 150,543
2	(Source: Public Counsel Data Request	2007	-
3	No. 336)	2008	100,000
4	Payments Expensed - Not Previously Accrued	2006	315,261
5	(Source: Public Counsel Data Request	2007	473,145
6	No. 336)	2008	<u>669,674</u>
7	Total Accruals & Payment Charged to	2006	465,804
8	Injuries and Damages Expense	2007	473,145
9	(Sum Lines 1-3 and Lines 4-6)	2008	769,674
10	Three Year Average of Injuries and Damages (Average Lines 7 - 9)		\$ 569,541
11	Less: Test Year Actual Accruals and Payments		<u>(769,674)</u>
12	Adjustment to normalize injuries and damages		
13	expense based upon a three year average (Line 10 - Line 11)		(200,133)
14	Increase/(Decrease) in federal income tax expense @ 35%		<u>70,047</u>
15	Increase/(Decrease) in Net Operating Income (Line 13 - Line 14)		<u><u>\$ 130,086</u></u>
17	The impact of the change in this Company-proposed adjustment was		
18	reflected on Schedule C-2 of Exhibit No. __ (JRD-3C)		

Public Counsel Revenue Requirement Summary

**PUGET SOUND ENERGY - GAS
ADJUSTMENT 9.26 JACKSON PRAIRIE PLANT ADJUSTMENT
FOR TWELVE MONTHS ENDING DECEMBER 31, 2008
CONTESTED - INCREMENTAL PUBLIC COUNSEL ADJUSTMENT**

Line No.	Description (a)	Amount (b)	Source (c)
1	[Begin Confidential]		
2			Response
3			to Public
4			Counsel
5	[End Confidential]	\$ (740,624)	DR No. 409
6	This adjustment was reflected on Schedules B-2 of		
7	Public Counsel Exhibit No. __ (JRD-3C)		

REDACTED

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY-GAS
RECONCILING ADJUSTMENT 9.27 TO REFLECT STARTING POINT NOI ERROR
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	ORIGINAL FILING	SUPPLEMENTAL FILING	RECONCILING ADJUSTMENT
1	Operating Revenues:			
2	Sales to Customers	\$ 1,208,690,484	\$ 1,208,690,484	\$ -
3	Municipal Additions			0
4	Other Operating Revenues	19,800,294	16,591,034	3,209,260
5	Total Operating Revenues	\$ 1,228,490,778	\$ 1,225,281,518	\$ 3,209,260
6				
7	Operating Revenue Deductions:			
8	Gas Costs:			
9	Purchased Gas	786,226,721	786,226,721	0
10	Total Production Expenses			
11				
12	Other Energy Supply Expenses	\$ 1,926,629	\$ 1,926,629	\$ -
13	Transmission Expense	405,045	405,045	0
14	Distribution Expense	53,285,553	53,285,553	0
15	Customer Accounts Expense	27,937,374	27,928,282	9,092
16	Customer Service Expense	1,462,619	1,462,619	0
17	Conservation Amortization	0	0	0
18	Administrative & General Expense	45,577,734	45,571,315	6,419
19	Depreciation	88,849,821	88,849,821	0
20	Amortization	15,618,788	15,618,788	0
21	Amortization Property Gain/Loss	-	-	0
22	Other Operating Expense	1,415,417	1,415,417	0
23	FAS 133	-	-	0
24	Taxes Other than Income Taxes	60,891,865	60,768,594	123,271
25	Income Taxes	(6,324,353)	(7,399,021)	1,074,668
26	Deferred Income Taxes	41,924,649	41,924,649	0
27	Total Operating Expense	\$ 1,119,197,863	\$ 1,117,984,413	\$ 1,213,449
28				
29	Adjusted Net Operating Income	\$ 109,292,915	\$ 107,297,105	\$ 1,995,811

32 When preparing this response it was discovered that we had
 33 inadvertently used as the starting point to which adjustments to
 34 net operating income were posted PSE's "Adjusted Results of
 35 Operations that were originally filed on May 8, 2009 rather than
 36 PSE's Supplemental Filing made on August 3, 2009. This error
 37 will be corrected with an updated filing sometime prior to the start of
 38 hearings. Such filing will correct all known errors as well as reflect any
 39 change in positions that may occur as a result of review of the
 40 Company's rebuttal filing, negotiations that may result in settlement of
 41 issues, or any other events causing Public Counsel's original filing
 42 recommendations to change.

44 In order for the revenue requirement calculated in the format
 45 requested by the Bench, it is necessary to post this reconciling
 46 adjustment. When the updated and corrected filing is made
 47 at a later date this reconciling adjustment will no longer be required.

REDACTED

**Public Counsel Revenue Requirement Summary
 PUGET SOUND ENERGY - GAS
 GENERAL RATE INCREASE
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
 GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT	As Proposed by Public Counsel on Exhibit No. (JRD-3C) (\$000)
1	RATE BASE	\$ 1,473,180,502	\$ 1,473,181
2	RATE OF RETURN	7.74%	7.74%
3			
4	OPERATING INCOME REQUIREMENT	114,024,171	114,024
5			
6	PRO FORMA OPERATING INCOME	114,114,672	114,115
7	OPERATING INCOME DEFICIENCY	(90,501)	(91)
8			
9	CONVERSION FACTOR	0.6218910	0.62189
10	REVENUE REQUIREMENT DEFICIENCY	(145,525)	\$ (146)
11	OTHER OPERATING REVENUES	184,000	184
12			
13	REVENUE REQUIREMENT DEFICIENCY	\$ (329,525)	\$ (330)

Public Counsel Revenue Requirement Summary
PUGET SOUND ENERGY-GAS
PRO FORMA COST OF CAPITAL
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	PRO FORMA CAPITAL %	COST %	COST OF CAPITAL
1	SHORT TERM DEBT	4.00%	2.47%	0.10%
2	LONG TERM DEBT	53.00%	6.70%	3.55%
3	PREFERRED	0.00%	0.00%	0.00%
4	EQUITY	43.00%	9.50%	4.09%
5	TOTAL	100.00%		7.74%
6				
7	AFTER TAX SHORT TERM DEBT ((LINE 1)* 65%)	4.00%	1.61%	0.07%
8	AFTER TAX LONG TERM DEBT ((LINE 2)* 65%)	53.00%	4.36%	2.31%
9	PREFERRED	0.00%	0.00%	0.00%
10	EQUITY	43.00%	9.50%	4.09%
11	TOTAL AFTER TAX COST OF CAPITAL	100.00%		6.47%

Public Counsel Revenue Requirement Summary

PUGET SOUND ENERGY-GAS
 CONVERSION FACTOR
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
 GENERAL RATE INCREASE

LINE NO.	DESCRIPTION		RATE
1	BAD DEBTS		0.002833
2	ANNUAL FILING FEE		0.002000
3	STATE UTILITY TAX (3.852% - (LINE 1 * 3.852%))	3.852%	0.038411
4			
5	SUM OF TAXES OTHER		0.043244
6			
7	CONVERSION FACTOR EXCLUDING FEDERAL INCOME TAX (1 - LINE)		0.956756
8	FEDERAL INCOME TAX (LINE 7 * 35%)	35%	0.334865
9	CONVERSION FACTOR INCL FEDERAL INCOME TAX (LINE 7 - LINE 8)		0.621891

Puget Sound Energy
 UE-090704 / UG-090705
 Test Year December 31, 2008
 Public Counsel Revenue Requirement Summary
 Gas Operations

Adj. No. (a)	Description (b)	Public Counsel			Company			Difference	
		NOI (f)	Rate Base (g)	Rev Req (h)	NOI (c)	Rate Base (d)	Rev Req (e)	NOI (i)	Rate Base (j)
	Actual Results of Operations	\$ 111,350,201	\$ 1,474,337,487	\$ 4,443,738	111,350,201	\$ 1,474,337,487	\$ 22,461,308	\$ (0)	\$ (18,017,570)
9.01	Temperature Normalization	(8,781,321)	-	14,120,354	(8,781,321)	-	14,120,354	0	(0)
9.02	Revenues & Expenses	20,919,189	-	(33,638,031)	20,539,623	-	(33,061,129)	379,566	(576,902)
9.03	Net Interest Paid to IRS	(1,018,402)	(915,968)	1,523,588	(1,018,402)	(915,968)	1,513,926	0	(0)
9.04	Federal Income Tax	1,028,039	-	(1,653,086)	915,758	-	(1,474,029)	112,281	(179,057)
9.05	Tax Benefits of Pro Forma Interest	(6,980,296)	-	11,224,308	(8,358,141)	-	13,453,488	1,377,845	(2,229,180)
9.06	Depreciation Study	(6,218,349)	(3,109,174)	9,612,132	(6,218,349)	(3,109,174)	9,583,830	0	(0)
9.07	Pass-Through Revenue & Expense	342,920	-	(551,414)	342,920	-	(551,973)	(0)	559
9.08	Bad Debt	454,572	-	(730,951)	454,572	-	(731,691)	-	740
9.09	Miscellaneous Operating Expense	894,752	-	(1,438,760)	440,899	-	(709,683)	453,853	(729,077)
9.10	Property Tax	(892,429)	-	1,435,025	(850,450)	-	1,368,907	(41,979)	66,118
9.11	Excise Tax & Filing Fee	693,130	-	(1,114,552)	693,130	-	(1,115,681)	0	1,128
9.12	D&O Insurance	212,083	-	(341,030)	142,454	-	(229,298)	69,629	(111,732)
9.13	Interest on Customer Deposits	(30,273)	-	48,679	(30,273)	-	48,728	(0)	(49)
9.14	Rate Case Expense	153,958	-	(247,565)	153,958	-	(247,815)	0	250
9.15	Deferred G/L on Property Sales	(313,412)	-	503,966	(313,412)	-	504,476	(0)	(510)
9.16	Property & Liability Insurance	266,660	-	(428,790)	233,199	-	(375,363)	33,461	(53,426)
9.17	Pension Plan	(262,622)	-	422,296	(1,480,293)	-	2,382,719	1,217,671	(1,960,423)
9.18	Wage Increase	(1,192,345)	-	1,917,289	(1,898,225)	-	3,055,434	705,880	(1,138,145)
9.19	Investment Plan	(62,039)	-	99,759	(100,005)	-	160,971	37,966	(61,212)
9.20	Employee Insurance	(277,041)	-	445,482	(544,180)	-	875,927	267,139	(430,445)
9.21	Incentive Pay	615,785	-	(990,182)	615,785	-	(991,184)	-	1,003
9.22	Merger Savings	311,112	-	(500,268)	311,112	-	(500,774)	0	506
9.23	Fleet Vehicles	696,545	4,077,858	(612,517)	696,545	4,077,858	(563,252)	(0)	(49,265)
9.24	Excess Aircraft Costs	78,358	(469,076)	(184,380)	78,358	(469,076)	78,358	(469,076)	(184,380)
9.25	Normalize Injuries and Damages	130,086	-	(209,179)	130,086	-	130,086	-	(209,179)
9.26	Jackson Prairie Plant	-	(740,624)	(92,177)	-	(740,624)	-	-	(92,177)
9.27	Starting Point Error - Reconciling Adj't	1,995,811	(3,209,261)	(3,209,261)	1,995,811	-	1,995,811	-	(3,209,261)
	Total Adjustment	\$ 2,764,471	\$ (1,156,985)	\$ (4,589,263)	\$ (4,053,096)	\$ 52,716	\$ 6,516,888	\$ 6,817,567	\$ (1,209,701)
	Adjusted Results of Operations	\$ 114,114,672	\$ 1,473,180,502	\$ (145,525)	107,297,105	\$ 1,474,390,203	\$ 28,985,887	\$ 6,817,567	\$ (1,209,701)

REDACTED

Puget Sound Energy
 UE-090704/ UG-090705
 Test Year December 31, 2008
 Public Counsel Revenue Requirement Summary
 Gas Operations

Adj. No. (a)	Description (b)	Net Operating Income (c)	Rate Base (d)	Rev Req @8.50 (e)	Rev Req @7.74% (f)
Actual Results of Operations					
9.01	Temperature Normalization	111,350,201	1,474,337,487	22,461,308	4,443,738
9.02	Revenues & Expenses	(8,781,321)	-	14,120,354	14,120,354
9.03	Net Interest Paid to IRS	20,539,623	-	(33,027,690)	(33,027,690)
9.04	Federal Income Tax	(1,018,402)	(915,968)	1,512,395	1,523,589
9.05	Tax Benefits of Pro Forma Interest	915,758	-	(1,472,538)	(1,472,538)
9.06	Depreciation Study	(8,358,141)	-	13,439,881	13,439,881
9.07	Pass-Through Revenue & Expense	(6,218,349)	(3,109,174)	9,574,136	9,612,133
9.08	Bad Debt	342,920	-	(551,415)	(551,415)
9.09	Miscellaneous Operating Expense	454,572	-	(730,951)	(730,951)
9.10	Property Tax	440,899	-	(708,965)	(708,965)
9.11	Excise Tax & Filing Fee	(850,450)	-	1,367,523	1,367,523
9.12	D&O Insurance	693,130	-	(1,114,552)	(1,114,552)
9.13	Interest on Customer Deposits	142,454	-	(229,066)	(229,066)
9.14	Rate Case Expense	(30,273)	-	48,679	48,679
9.15	Deferred G/L on Property Sales	153,958	-	(247,564)	(247,564)
9.16	Property & Liability Insurance	(313,412)	-	503,966	503,966
9.17	Pension Plan	233,199	-	(374,984)	(374,984)
9.18	Wage Increase	(1,480,293)	-	2,380,309	2,380,309
9.19	Investment Plan	(1,898,225)	-	3,052,344	3,052,344
9.20	Employee Insurance	(100,005)	-	160,808	160,808
9.21	Incentive Pay	(544,180)	-	875,041	875,041
9.22	Merger Savings	615,785	-	(990,182)	(990,182)
9.23	Fleet Vehicles	311,112	-	(500,268)	(500,268)
		696,545	4,077,858	(562,682)	(612,517)
	Total Adjustment	(4,053,096)	52,716	6,524,579	6,523,935
	Adjusted Results of Operations	107,297,105	1,474,390,203	28,985,887	10,967,672

Puget Sound Energy
 UE-090704 / UG-090705
 Test Year December 31, 2008
 Public Counsel Revenue Requirement Summary
 Gas Operations

Adj. No. (a)	Description (b)	Net Operating Income (c)	Rate Base (d)	Rev Req @ 8.50 (e)	Rev Req @7.74% (f)	Cost of Capital Difference (g)
Actual Results of Operations						
9.01	Temperature Normalization	111,350,201	1,474,337,487	22,461,309	4,443,738	(18,017,570)
9.02	Revenues & Expenses	(8,781,321)	-	14,120,354	14,120,354	-
9.03	Net Interest Paid to IRS	20,919,189	-	(33,638,031)	(33,638,031)	-
9.04	Federal Income Tax	(1,018,402)	(915,968)	1,512,394	1,523,588	11,194
9.05	Tax Benefits of Pro Forma Interest	1,028,039	-	(1,653,086)	(1,653,086)	-
9.06	Depreciation Study	(6,980,296)	-	11,224,308	11,224,308	-
9.07	Pass-Through Revenue & Expense	(6,218,349)	(3,109,174)	9,574,136	9,612,132	37,997
9.08	Bad Debt	342,920	-	(551,414)	(551,414)	-
9.09	Miscellaneous Operating Expense	454,572	-	(730,951)	(730,951)	-
9.10	Property Tax	894,752	-	(1,438,760)	(1,438,760)	-
9.11	Excise Tax & Filing Fee	(892,429)	-	1,435,025	1,435,025	-
9.12	D&O Insurance	693,130	-	(1,114,552)	(1,114,552)	-
9.13	Interest on Customer Deposits	212,083	-	(341,030)	(341,030)	-
9.14	Rate Case Expense	(30,273)	-	48,679	48,679	-
9.15	Deferred G/L on Property Sales	153,958	-	(247,565)	(247,565)	-
9.16	Property & Liability Insurance	(313,412)	-	503,966	503,966	-
9.17	Pension Plan	266,660	-	(428,790)	(428,790)	-
9.18	Wage Increase	(262,622)	-	422,296	422,296	-
9.19	Investment Plan	(1,192,345)	-	1,917,289	1,917,289	-
9.20	Employee Insurance	(62,039)	-	99,759	99,759	-
9.21	Incentive Pay	(277,041)	-	445,482	445,482	-
9.22	Merger Savings	615,785	-	(990,182)	(990,182)	-
9.23	Fleet Vehicles	311,112	-	(500,268)	(500,268)	-
9.24	Excess Aircraft Costs	696,545	4,077,858	(562,682)	(612,517)	(49,835)
9.25	Normalize Injuries and Damages	78,358	(469,076)	(190,112)	(184,380)	5,732
9.26	Jackson Prairie Plant	130,086	-	(209,179)	(209,179)	-
9.27	Starting Point Error - Reconciling Adj't	-	(740,624)	(101,228)	(92,177)	9,051
	Total Adjustment	1,995,811	1,995,811	1,995,811	1,995,811	1,995,811
	Adjusted Results of Operations	2,764,471	838,826	601,670	615,809	2,009,950
		114,114,672	1,475,176,313	23,062,978	5,059,547	(16,007,620)

Public Counsel Revenue Requirement Summary
Puget Sound Energy - GAS
Cost of Capital

	Per Company	Per Public Counsel
Long-term Debt	3.220%	0.10%
Short term Debt	0.100%	3.55%
Preferred Stock	0.000%	0.00%
Common Stock	5.180%	4.09%
Cost of Capital	8.500%	7.740%
Conversion Factor - Electric	0.621262	0.621262
Conversion Factor - Gas	0.621891	0.621891
Tax Rate	0.35	0.35