

**EXHIBIT NO. \_\_\_(KRK-13)  
DOCKET NO. UE-072300/UG-072301  
2007 PSE GENERAL RATE CASE  
WITNESS: KARL R. KARZMAR**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY, INC.,**

**Respondent.**

**Docket No. UE-072300  
Docket No. UG-072301**

**SECOND EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED REBUTTAL TESTIMONY OF  
KARL R. KARZMAR  
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**JULY 3, 2008**

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

LINE NO.	REVISED ACTUAL RESULTS OF OPERATIONS	REVISED TOTAL ADJUSTMENTS	REVISED ADJUSTED RESULTS OF OPERATIONS	REVISED REVENUE REQUIREMENT DEFICIENCY	REVISED AFTER RATE INCREASE
1	<u>OPERATING REVENUES:</u>				
2	\$ 1,169,255,872	\$ (115,104,222)	\$ 1,054,151,650	\$ 55,119,046	\$ 1,109,270,696
3	49,479,594	(49,479,594)	-	-	-
4	17,032,367	(2,951,933)	14,080,433	404,891	14,485,324
5	<u>\$ 1,235,767,832</u>	<u>\$ (167,535,749)</u>	<u>\$ 1,068,232,084</u>	<u>\$55,523,937</u>	<u>\$ 1,123,756,021</u>
6					
7					
8	<u>OPERATING REVENUE DEDUCTIONS:</u>				
9					
10	<u>GAS COSTS:</u>				
11					
12	\$ 800,512,866	\$ (103,496,401)	\$ 697,016,465	\$ -	\$ 697,016,465
13					
14	<u>\$ 800,512,866</u>	<u>\$ (103,496,401)</u>	<u>\$ 697,016,465</u>	<u>\$ -</u>	<u>\$ 697,016,465</u>
15					
16	\$ 1,700,509	\$ 68,602	\$ 1,769,111	\$ -	\$ 1,769,111
17	570,155	24,632	594,787		594,787
18	40,817,492	1,794,913	42,612,405		42,612,405
19	25,226,971	676,649	25,903,620	<b>154,357</b>	<b>26,057,976</b>
20	4,652,566	(3,298,729)	1,353,837		1,353,837
21	4,796,112	(4,796,112)	(0)		(0)
22	38,296,979	<b>1,624,673</b>	<b>39,921,652</b>	<b>111,048</b>	<b>40,032,700</b>
23	72,897,010	14,033,313	86,930,323		86,930,323
24	14,088,267	(640)	14,087,627		14,087,627
25	-	0	-		-
26	511,054	(1,346,642)	(835,588)		(835,588)
27	-	0	-		-
28	110,684,987	<b>(55,013,143)</b>	<b>55,671,844</b>	<b>2,132,674</b>	<b>57,804,518</b>
29	10,002,284	<b>4,249,608</b>	<b>14,251,892</b>	<b>18,593,856</b>	<b>32,845,748</b>
30	7,046,149	<b>1,787,482</b>	<b>8,833,631</b>		<b>8,833,631</b>
31	<u>\$ 331,290,535</u>	<u>\$ (40,195,394)</u>	<u>\$ 291,095,140</u>	<u>\$ 20,991,935</u>	<u>\$ 312,087,075</u>
32					
33	\$ 103,964,432	\$ (23,843,953)	\$ 80,120,478	\$ 34,532,002	\$ 114,652,481
34					
35	<u>\$ 1,351,825,342</u>	<u>\$ (84,557,648)</u>	<u>\$ 1,347,267,694</u>	<u>\$ -</u>	<u>\$ 1,347,267,694</u>
36					
37		7.69%	5.95%		8.51%
38					
39	<u>RATE BASE:</u>				
40	\$ 2,268,630,640	\$ 2,458,688	\$ 2,271,089,328		
41	(754,747,709)	(7,016,336)	(761,764,045)		
42	(181,249,183)	-	<b>(181,249,183)</b>		
43	(18,315,278)	-	(18,315,278)		
44	<u>\$ 1,314,318,470</u>	<u>\$ (4,557,648)</u>	<u>\$ 1,309,760,822</u>		
45	<b>37,506,872</b>	-	<b>37,506,872</b>		
46	<u>\$ 1,351,825,342</u>	<u>\$ (4,557,648)</u>	<u>\$ 1,347,267,694</u>		

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.

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

LINE NO.	REVISED		TEMPERATURE NORMALIZATION	REVENUE & EXPENSES	EVERETT DELTA LEASE	FEDERAL INCOME TAX	REVISED TAX BENEFIT OF PRO FORMA INTEREST
	ACTUAL RESULTS OF OPERATIONS	12ME Sept. 30, 2007					
1	OPERATING REVENUES						
2	SALES TO CUSTOMERS	\$ 1,169,255,872	\$ (24,484,888)	\$ (42,249,172)		\$ -	\$ -
3	MUNICIPAL ADDITIONS	49,479,594					
4	OTHER OPERATING REVENUES	17,032,367		1,198,419	(4,150,352)		
5	TOTAL OPERATING REVENUES	\$ 1,235,767,832	\$ (24,484,888)	\$ (41,050,753)	\$ (4,150,352)	\$ -	\$ -
6							
7							
8	OPERATING REVENUE DEDUCTIONS:						
9							
10	GAS COSTS:						
11							
12	PURCHASED GAS	\$ 800,512,866		\$ (65,382,956)		\$ -	\$ -
13							
14	TOTAL PRODUCTION EXPENSES	\$ 800,512,866	\$ -	\$ (65,382,956)	\$ -	\$ -	\$ -
15							
16	OTHER ENERGY SUPPLY EXPENSES	\$ 1,700,509		\$ -		\$ -	\$ -
17	TRANSMISSION EXPENSE	570,155					
18	DISTRIBUTION EXPENSE	40,817,492					
19	CUSTOMER ACCTS EXPENSES	25,226,971	(68,068)	(114,121)			
20	CUSTOMER SERVICE EXPENSES	4,652,566					
21	CONSERVATION AMORTIZATION	4,796,112					
22	ADMIN & GENERAL EXPENSE	38,296,979	(48,970)	(82,102)			
23	DEPRECIATION	72,897,010					
24	AMORTIZATION	14,088,267					
25	AMORTIZATION OF PROPERTY LOSS	-					
26	OTHER OPERATING EXPENSES	511,054	-	-			
27	FAS 133	-					
28	TAXES OTHER THAN INCOME TAXES	110,684,987	(940,465)	(1,576,759)			
29	INCOME TAXES	10,002,284	(8,199,585)	9,136,815	(1,452,623)	(2,165,855)	7,670,706
30	DEFERRED INCOME TAXES	7,046,149				1,787,482	
31	TOTAL OPERATING REV. DEDUCT.	\$ 331,290,535	\$ (9,257,088)	\$ 7,363,833	\$ (1,452,623)	\$ (378,373)	\$ 7,670,706
32							
33	NET OPERATING INCOME	\$ 103,964,432	\$ (15,227,800)	\$ 16,968,370	\$ (2,697,729)	\$ 378,373	\$ (7,670,706)
34							
35	RATE BASE	\$ <b>1,351,825,342</b>					
36							
37	RATE OF RETURN	7.69%					
38							
39	RATE BASE:						
40	UTILITY PLANT IN SERVICE	\$ 2,268,630,640	\$ -	\$ -		\$ -	\$ -
41	ACCUMULATED DEPRECIATION	(754,747,709)					
42	ACCUMULATED DEFERRED FIT	(181,249,183)					
43	OTHER	(18,315,278)					
44	TOTAL NET INVESTMENT	\$ 1,314,318,470	\$ -	\$ -		\$ -	\$ -
45	ALLOWANCE FOR WORKING CAPITAL	<b>37,506,872</b>					
46	TOTAL RATE BASE	\$ <b>1,351,825,342</b>	\$ -	\$ -		\$ -	\$ -

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

LINE NO.	REVISED DEPRECIATION STUDY 13.06	PASS THROUGH REVENUE & EXPENSE 13.07	BAD DEBTS 13.08	MISCELLANEOUS OPERATING EXPENSE 13.09	REVISED PROPERTY TAXES 13.10	EXCISE TAX & FILING FEE 13.11	REVISED D&O INSURANCE 13.12
1							
2	\$ -	\$ (48,370,163)	\$ -		\$ -	\$ -	
3		(49,479,594)					
4							
5	\$ -	\$ (97,849,756)	\$ -		\$ -	\$ -	\$ -
6							
7							
8							
9							
10							
11							
12	\$ -	\$ (38,113,445)	\$ -		\$ -	\$ -	
13							
14	\$ -	\$ (38,113,445)	\$ -		\$ -	\$ -	\$ -
15							
16	\$ -	\$ -	\$ -		\$ -	\$ -	
17					6,661		
18					442,344		
19		(272,022)	424,823				
20		(3,344,943)		(30,141)			
21		(4,796,112)					
22		(195,700)	-	790,018		(76,330)	(20,618)
23	14,033,313						
24	(640)						
25							
26				(1,564,444)			
27							
28		(53,330,649)		(1,312)	<b>1,054,351</b>	(391,831)	
29		771,090	(148,688)	124,906	<b>(369,023)</b>	163,856	<b>7,216</b>
30							
31	\$ <b>14,032,673</b>	\$ (61,168,336)	\$ 276,135	\$ (231,967)	\$ <b>685,328</b>	\$ (304,305)	\$ <b>(13,402)</b>
32							
33	\$ <b>(14,032,673)</b>	\$ 1,432,025	\$ (276,135)	\$ 231,967	\$ <b>(685,328)</b>	\$ 304,305	\$ <b>13,402</b>
34							
35	\$ <b>(7,016,336)</b>			\$ 2,458,688			
36							
37							
38							
39							
40		\$ -	\$ -	\$ 2,458,688	\$ -	\$ -	
41	(7,016,336)						
42	-						
43							
44	\$ <b>(7,016,336)</b>	\$ -	\$ -	\$ 2,458,688	\$ -	\$ -	\$ -
45							
46	\$ <b>(7,016,336)</b>	\$ -	\$ -	\$ 2,458,688	\$ -	\$ -	\$ -

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

LINE NO.	INTEREST ON CUSTOMER DEPOSITS 13.13	RATE CASE EXPENSES 13.14	REVISED DEFERRED GAINS/ LOSSES PROP SALES 13.15	REVISED PROPERTY & LIABILITY INS 13.16	PENSION PLAN 13.17	WAGE INCREASE 13.18
1	OPERATING REVENUES					
2	\$	-	\$	-	\$	-
3	SALES TO CUSTOMERS					
4	MUNICIPAL ADDITIONS					
5	OTHER OPERATING REVENUES					
5	\$	-	\$	-	\$	-
6	TOTAL OPERATING REVENUES					
6	\$	-	\$	-	\$	-
7	OPERATING REVENUE DEDUCTIONS:					
8	OPERATING REVENUE DEDUCTIONS:					
9	GAS COSTS:					
10	GAS COSTS:					
11	PURCHASED GAS					
12	\$	-	\$	-	\$	-
13	TOTAL PRODUCTION EXPENSES					
14	\$	-	\$	-	\$	-
15	OTHER ENERGY SUPPLY EXPENSES					
16		\$	-	\$	-	54,124
17	TRANSMISSION EXPENSE					
18	DISTRIBUTION EXPENSE					
19		187,784				424,761
20	CUSTOMER ACCTS EXPENSES					
21	CUSTOMER SERVICE EXPENSES					
22			67,686		(408,851)	478,692
23	CONSERVATION AMORTIZATION					
24	ADMIN & GENERAL EXPENSE					
25	DEPRECIATION					
26	AMORTIZATION					
27	AMORTIZATION OF PROPERTY LOSS					
28	OTHER OPERATING EXPENSES					
29				217,802		
30	FAS 133					
31						136,381
32	TAXES OTHER THAN INCOME TAXES					
33		\$	(23,690)	(76,231)	(57,492)	(793,855)
34	INCOME TAXES					
35	DEFERRED INCOME TAXES					
36	\$	187,784	\$	43,996	\$	141,571
37	\$	106,770	\$	(265,753)	\$	1,474,301
38	TOTAL OPERATING REV. DEDUCT.					
39	\$	(187,784)	\$	(43,996)	\$	(141,571)
40	NET OPERATING INCOME					
41	\$	(187,784)	\$	(43,996)	\$	(141,571)
42	RATE BASE					
43	\$	-				
44	RATE OF RETURN					
45	RATE BASE:					
46	\$	-	\$	-	\$	-
47	UTILITY PLANT IN SERVICE					
48	ACCUMULATED DEPRECIATION					
49	ACCUMULATED DEFERRED FIT - LIBERALIZED					
50	OTHER					
51	\$	-	\$	-	\$	-
52	TOTAL NET INVESTMENT					
53	\$	-	\$	-	\$	-
54	ALLOWANCE FOR WORKING CAPITAL					
55	\$	-	\$	-	\$	-
56	TOTAL RATE BASE					

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

LINE NO.	INVESTMENT PLAN 13.19	EMPLOYEE INSURANCE 13.20	INCENTIVE PAY 13.21	NEW CRYSTAL MOUNTAIN DIESEL SPILL 13.22	REVISED TOTAL ADJUSTMENTS	REVISED ADJUSTED RESULTS OF OPERATIONS
1	OPERATING REVENUES					
2	\$ -	\$ -	\$ -	\$ -	(115,104,222)	\$ 1,054,151,650
3	MUNICIPAL ADDITIONS					
4	OTHER OPERATING REVENUES					
5	\$ -	\$ -	\$ -	\$ -	(2,951,933)	14,080,433
6	TOTAL OPERATING REVENUES					
7	\$ -	\$ -	\$ -	\$ -	(167,535,749)	\$ 1,068,232,084
8	OPERATING REVENUE DEDUCTIONS:					
9	GAS COSTS:					
10	PURCHASED GAS					
11	\$ -	\$ -	\$ -	\$ -	(103,496,401)	\$ 697,016,465
12	TOTAL PRODUCTION EXPENSES					
13	\$ -	\$ -	\$ -	\$ -	(103,496,401)	\$ 697,016,465
14	OTHER ENERGY SUPPLY EXPENSES					
15	\$ -	\$ -	14,478		\$ 68,602	\$ 1,769,111
16	TRANSMISSION EXPENSE					
17	DISTRIBUTION EXPENSE					
18	CUSTOMER ACCTS EXPENSES					
19	CUSTOMER SERVICE EXPENSES					
20	CONSERVATION AMORTIZATION					
21	ADMIN & GENERAL EXPENSE					
22	94,757	888,342	132,331	<i>(158,844)</i>	<i>1,624,673</i>	<i>39,921,652</i>
23	DEPRECIATION					
24	AMORTIZATION					
25	AMORTIZATION OF PROPERTY LOSS					
26	OTHER OPERATING EXPENSES					
27	FAS 133					
28	TAXES OTHER THAN INCOME TAXES					
29	(33,165)	(310,920)	(192,549)	55,595	<i>4,249,608</i>	<i>14,251,892</i>
30	DEFERRED INCOME TAXES					
31	\$ 61,592	\$ 577,422	\$ 357,590	\$ <i>(103,249)</i>	\$ <i>(40,195,394)</i>	\$ <i>291,095,140</i>
32	NET OPERATING INCOME					
33	\$ (61,592)	\$ (577,422)	\$ (357,590)	\$ <i>103,249</i>	\$ <i>(23,843,953)</i>	\$ <i>80,120,478</i>
34	RATE BASE					
35	RATE OF RETURN					
36	RATE BASE:					
37	UTILITY PLANT IN SERVICE					
38	\$ -	\$ -	\$ -	\$ -	2,458,688	\$ 2,271,089,328
39	ACCUMULATED DEPRECIATION					
40	ACCUMULATED DEFERRED FIT - LIBERALIZED					
41	OTHER					
42	TOTAL NET INVESTMENT					
43	\$ -	\$ -	\$ -	\$ -	<i>(4,557,648)</i>	\$ <i>1,309,761,822</i>
44	ALLOWANCE FOR WORKING CAPITAL					
45	TOTAL RATE BASE					
46	\$ -	\$ -	\$ -	\$ -	<i>(4,557,648)</i>	\$ <i>1,347,267,694</i>

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.

**PUGET SOUND ENERGY-GAS  
TEMPERATURE NORMALIZATION  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

Exhibit No. \_\_\_(KRK-13)  
Page 13.01

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	Oct-06	82,398,883	79,616,166	(2,782,717)
5	Nov-06	122,310,200	119,321,723	(2,988,477)
6	Dec-06	152,312,019	151,250,129	(1,061,890)
7	Jan-07	162,522,738	146,997,535	(15,525,203)
8	Feb-07	123,546,494	124,495,095	948,601
9	Mar-07	115,870,737	117,976,585	2,105,848
10	Apr-07	88,944,071	87,374,580	(1,569,491)
11	May-07	66,872,283	67,631,429	759,146
12	Jun-07	49,867,206	49,274,516	(592,690)
13	Jul-07	43,516,377	43,516,377	0
14	Aug-07	44,021,922	44,021,922	0
15	Sep-07	54,790,972	52,732,112	(2,058,860)
16		<u>1,106,973,902</u>	<u>1,084,208,169</u>	<u>(22,765,733)</u>
17				
18	REVENUE ADJUSTMENT:			
19	Residential (23, 53)			\$ (17,702,847)
20	Residential (16)			0
21	Commercial & industrial (31,36,51)			(6,002,462)
22	Large volume (41)			0
23	Compressed natural gas (50)			0
24	Interruptible (85)			(135,931)
25	Limited interruptible (86)			(304,428)
26	Non exclusive interruptible (87)			(296,095)
27	Transportation (57)			(31,415)
28	Contracts (99,199,299)			<u>(11,711)</u>
29	INCREASE (DECREASE) SALES TO CUSTOMERS			\$ (24,484,888)
30	UNCOLLECTIBLES @		0.00278	\$ (68,068)
31	ANNUAL FILING FEE @		0.00200	<u>(48,970)</u>
32	INCREASE (DECREASE) EXPENSES			(117,038)
33				
34	STATE UTILITY TAX @		0.03841	\$ (940,465)
35	INCREASE (DECREASE) TAXES OTHER			<u>(940,465)</u>
36				
37	INCREASE (DECREASE) INCOME			(23,427,385)
38				
39	INCREASE (DECREASE) FIT @		35%	<u>(8,199,585)</u>
40	INCREASE (DECREASE) NOI			<u><u>\$ (15,227,800)</u></u>

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.

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

Exhibit No.      (KRK-13)  
Page 13.02

LINE NO.	DESCRIPTION	ADJUSTMENT
1	SALES TO CUSTOMERS:	
2	ADD GRC INCREASE DOCKET UG-060267	\$ 12,621,527
3	RECLASS PENALTIES AND NEW CUSTOMER REVENUE TO	
4	OTHER OPERATING	(903,739)
5	OCTOBER 2007 PURCHASED GAS	
6	ADJUSTMENT, DOCKET UG-071775.	(47,385,174)
7	SCHEDULE MIGRATION	(2,218,411)
8	TRUE UP CHANGE IN UNBILLED	(5,687,892)
9	OTHER ADJUSTMENTS	1,324,517
10	RESTATING ADJUSTMENTS SALES TO CUSTOMERS	<u>(42,249,172)</u>
11		
12	TOTAL INCREASE (DECREASE) SALES TO CUSTOMERS	\$ (42,249,172)
13		
14	OTHER OPERATING REVENUES	
15	RENTALS:	
16	ADD GRC INCREASE DOCKET 060266	220,411
17	TRUE UP CHANGE IN UNBILLED	74,269
18	OTHER OPERATING REVENUES	
19	RECLASS PENALTIES AND NEW CUSTOMER REVENUE	
20	FROM SALES TO CUSTOMERS	<u>903,739</u>
21	TOTAL INCREASE (DECREASE) OTHER OPERATING REVENUE	<u>1,198,419</u>
22		
23	TOTAL INCREASE (DECREASE) REVENUES	(41,050,753)
24		
25	OPERATING EXPENSES:	
26	PURCHASED GAS COSTS	\$ (65,382,956)
27	UNCOLLECTIBLES @	0.00278 \$ (114,121)
28	ANNUAL FILING FEE @	0.00200 (82,102)
29	INCREASE (DECREASE) EXPENSES	<u>(65,579,178)</u>
30		
31	STATE UTILITY TAX @	0.03841 \$ (1,576,759)
32		
33	INCREASE (DECREASE) TAXES OTHER	<u>(1,576,759)</u>
34		
35	INCREASE (DECREASE) INCOME	26,105,185
36	INCREASE (DECREASE) FIT @	35% <u>9,136,815</u>
37	INCREASE (DECREASE) NOI	<u><u>\$ 16,968,370</u></u>

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.



PUGET SOUND ENERGY-GAS  
EVERETT DELTA  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE

Exhibit No. \_\_\_\_ (KRK-13)  
Page 13.03

LINE NO.	DESCRIPTION	ACTUAL	ADJUSTMENTS	RESTATED
1	<u>OPERATING REVENUES:</u>			
2	SALES TO CUSTOMERS	\$	-	\$ -
3	MUNICIPAL ADDITIONS		-	-
4	OTHER OPERATING REVENUES	4,150,352	(4,150,352)	-
5	TOTAL OPERATING REVENUES	\$ 4,150,352	\$ (4,150,352)	\$ -
6				
7				
8	<u>OPERATING REVENUE DEDUCTIONS:</u>			
9				
10	<u>GAS COSTS:</u>			
11				
12	PURCHASED GAS	\$ -	\$ -	\$ -
13				
14	TOTAL PRODUCTION EXPENSES	-	-	-
15				
16	OTHER POWER SUPPLY EXPENSES	-	-	-
17	TRANSMISSION EXPENSE	-	-	-
18	DISTRIBUTION EXPENSE	-	-	-
19	CUSTOMER ACCOUNT EXPENSES	-	-	-
20	CUSTOMER SERVICE EXPENSES	-	-	-
21	CONSERVATION AMORTIZATION	-	-	-
22	ADMIN & GENERAL EXPENSE	-	-	-
23	DEPRECIATION	578,772	-	578,772
24	AMORTIZATION	-	-	-
25	AMORTIZATION OF PROPERTY LOSS	-	-	-
26	OTHER OPERATING EXPENSES	-	-	-
27	FAS 133	-	-	-
28	PROPERTY TAX	491,910	-	491,910
29	INCOME TAXES	1,077,885	(1,452,623)	(374,738)
30	DEFERRED INCOME TAXES	-	-	-
31	TOTAL OPERATING REV. DEDUCT.	2,148,566	(1,452,623)	695,943
32				
33	NET OPERATING INCOME	\$ 2,001,786	\$ (2,697,729)	\$ (695,943)
34				
35	RATE BASE	\$ 23,765,912	\$0	\$ 23,765,912
36				
37	RATE OF RETURN	8.42%		-2.95%
38				
39	<u>RATE BASE:</u>			
40	UTILITY PLANT IN SERVICE	\$ 30,624,284	\$ -	\$ 30,624,284
41	ACCUMULATED DEPRECIATION	(1,374,636)	-	(1,374,636)
42	ACCUMULATED DEFERRED FIT - LIBER	(5,483,736)	-	(5,483,736)
43	OTHER	-	-	-
44	TOTAL NET INVESTMENT	23,765,912	-	23,765,912
45	ALLOWANCE FOR WORKING CAPITAL	-	-	-
46	TOTAL RATE BASE	\$ 23,765,912	\$ -	\$ 23,765,912
47				
48	RETURN	7.23%		7.23%
49	(Line 46 x Line 47)	\$ 1,718,275	\$	1,718,275
50	NET OPERATING INCOME (Line 33)	2,001,786		(695,943)
51	48 - Line 49)	<b>(283,511)</b>		<b>2,414,218</b>
52	CONVERSION FACTOR	65%		65%
53	Line 51)	\$ (436,170)	\$	3,714,182

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.

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

LINE NO.	DESCRIPTION	AMOUNT
1	TAXABLE INCOME	\$ 22,389,797
2		
3	FEDERAL INCOME TAX	
4	CURRENT FIT @ 35%	7,836,429
5	DEFERRED FIT - DEBIT	43,360,625
6	DEFERRED FIT - CREDIT	(33,624,571)
7	DEFERRED FIT - INV TAX CREDIT, NET OF AMORTIZATION	(902,423)
8	TOTAL RESTATED FIT	<u>\$ 16,670,060</u>
9		
10	FIT PER BOOKS:	
11	CURRENT FIT	\$ 10,002,284
12	DEFERRED FIT - DEBIT	48,445,101
13	DEFERRED FIT - CREDIT	(40,948,243)
14	DEFERRED FIT - INV TAX CREDIT, NET OF AMORTIZATION	<u>(450,709)</u>
15		
16	TOTAL CHARGED TO EXPENSE	\$ 17,048,433
17		-
18	INCREASE(DECREASE) FIT	\$ (2,165,855)
19	INCREASE(DECREASE) DEFERRED FIT	2,239,196
20	INCREASE(DECREASE) ITC	(451,714)
21	INCREASE(DECREASE) NOI	<u><u>\$ 378,373</u></u>

*(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.*

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

LINE NO.	DESCRIPTION	AMOUNT
1	RATE BASE	\$ 1,347,267,694
2	DEDUCTIBLE CWIP	47,186,981
3	NET RATE BASE	<u>\$ 1,394,454,675</u>
4		
5	WEIGHTED COST OF DEBT	<u>3.65%</u>
6	PROFORMA INTEREST	\$ 50,897,596
7		
8	<u>INTEREST EXPENSE ITEMS PER BOOKS:</u>	
9	INTEREST ON LONG TERM DEBT	\$ 63,212,987
10	INTEREST ON PREFERRED STOCK	
11	AMORTIZATION OF DEBT DISCOUNT	
12	AND EXPENSE, NET OF PREMIUMS	1,126,339
13	INTEREST ON DEBT TO ASSOCIATED COMPANIES	477,460
14	OTHER INTEREST EXPENSE	8,184,896
15	LESS INTEREST ON CUSTOMER DEPOSITS	<u>(187,784)</u>
16	CHARGED TO EXPENSE IN TEST YEAR	72,813,898
17	INCREASE (DECREASE) INCOME	<u>\$ 21,916,303</u>
18		
19	INCREASE (DECREASE) FIT @	35% <u>7,670,706</u>
20	INCREASE (DECREASE) NOI	<u>\$ (7,670,706)</u>

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.

**PUGET SOUND ENERGY-GAS  
DEPRECIATION STUDY  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

Exhibit No. \_\_\_(KRK-13)  
Page 13.06

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	<b><u>ADJUSTMENT TO OPERATING EXPENSES</u></b>			
2	403 DEPRECIATION EXPENSE	\$ 68,026,974	\$ 79,599,749	\$ 11,572,775
3	403 GAS PORTION OF COMMON	2,369,038	4,857,234	2,488,196
4	403 DEPR. EXP. ON ASSETS NOT INCLUDED IN STUDY	1,886,500	1,886,500	-
5	SUBTOTAL DEPRECIATION EXPENSE 403	<u>72,282,513</u>	<u>86,343,484</u>	<u>14,060,971</u>
6				
7	403.1 DEPR. EXP- FAS 143 (RECOVERED IN RATES)	614,403	614,403	-
8	403.1 DEPR. EXP - FAS 143 (NOT RECOVERED IN RATES)	94		(94)
9	SUBTOTAL DEPRECIATION EXPENSE 403.1	<u>614,497</u>	<u>614,403</u>	<u>(94)</u>
10				
11	TOTAL DEPRECIATION EXPENSE	<u>72,897,010</u>	<u>86,957,887</u>	<u>14,060,877</u>
12				
13	4111 ACCRETION EXP. - FAS 143 (RECOVERED IN RATES)	303,738	303,738	-
14	4111 ACCRETION EXP. - FAS 143 (NOT RECOVERED IN RATES)	640		(640)
15	SUBTOTAL ACCRETION EXPENSE 411.1	<u>304,378</u>	<u>303,738</u>	<u>(640)</u>
16				
17	FLEET DEPR. EXP. ON INC STMNT NOT RECORDED IN 403	<u>48,221</u>	<u>20,656</u>	<u>(27,565)</u>
18				
19	INCREASE(DECREASE) EXPENSE			\$ 14,032,673
20	INCREASE(DECREASE) FIT			-
21	INCREASE(DECREASE) DFIT			-
22	INCREASE(DECREASE) FIT @		35%	
23	INCREASE(DECREASE) NOI			<u>\$ (14,032,673)</u>
24				
25				
26	<b><u>ADJUSTMENT TO RATE BASE</u></b>			
27	ADJUST ACCUM DEPR FOR ADDITIONAL DEPR EXP (50% OF LINE 19)			\$ (7,016,336)
28	ADJUST ACCUMULATED DFIT FOR ADDITIONAL EXPENSE (50% OF LINE 21)			-
29	TOTAL ADJUSTMENT TO RATEBASE			<u>\$ (7,016,336)</u>

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.

**PUGET SOUND ENERGY-GAS  
PASS THROUGH REVENUE AND EXPENSE  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

Exhibit No.      (KRK-13)  
Page 13.07

LINE NO.	DESCRIPTION	ADJUSTMENT
1	<u>REMOVE REVENUES ASSOCIATED WITH RIDERS:</u>	
2	REMOVE LOW INCOME - SCHEDULE 129	\$ 3,498,771
3	REMOVE CONSERVATION - SCHEDULE 120	5,016,543
4	REMOVE REVENUE ASSOC WITH PGA AMORTIZATION - SCHEDULE 106	39,854,849
5	REMOVE MUNICIPAL TAXES ASSOC WITH SALES TO CUSTOMERS	49,121,411
6	REMOVE MUNICIPAL TAXES ASSOC WITH OTHER OPRTG REV	358,182
7	TOTAL (INCREASE) DECREASE REVENUES	<u>97,849,756</u>
8		
9	<u>ADJUST REVENUE SENSITIVE ITEMS FOR REMOVAL OF REVENUE:</u>	
10	BAD DEBTS	0.278000% (272,022)
11	ANNUAL FILING FEE	0.200000% (195,700)
12	STATE UTILITY TAX	3.841000% (3,758,409)
13	TOTAL INCREASE (DECREASE) EXPENSE	<u>4.369178% (4,226,131)</u>
14		
15	<u>REMOVE EXPENSES ASSOCIATED WITH RIDERS</u>	
16	REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129	(3,344,943)
17	REMOVE CONSERVATION AMORTIZATION - SCHEDULE 120	(4,796,112)
18	REMOVE PGA DEFERRAL AMORTIZATION EXP - SCHEDULE 106	(38,113,445)
19	REMOVE MUNICIPAL TAXES ASSOC WITH SALES TO CUSTOMERS	(49,572,240)
20	REMOVE MUNICIPAL TAXES ASSOC WITH OTHER OPRTG REV	INCL. ABOVE
21	TOTAL INCREASE (DECREASE) EXPENSE	<u>(95,826,741)</u>
22		
23	INCREASE (DECREASE) IN OPERATING INCOME BEFORE TAXES	2,203,115
24	INCREASE (DECREASE) FIT	771,090
25	INCREASE (DECREASE) NOI	<u>1,432,025</u>

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.

**PUGET SOUND ENERGY-GAS  
BAD DEBTS  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
GENERAL RATE INCREASE**

Exhibit No. \_\_\_(KRK-13)  
Page 13.08

LINE NO.	DESCRIPTION	NET WRITEOFFS	GROSS REVENUES	NET REVENUES	AMOUNT
1	12 MOS ENDED 09/30/2004	\$ 2,058,469	\$ 736,127,073	\$ 736,127,073	0.2796350%
2	12 MOS ENDED 09/30/2005	\$ 2,735,000	\$ 879,440,289	\$ 879,440,289	0.3109933%
3	12 MOS ENDED 09/30/2007	\$ 3,007,806	\$ 1,235,767,832	\$ 1,235,767,832	0.2433957%
4	3-Yr Average of Net Write Off Rate				<u>0.2780080%</u>
5					
6	Test Period Revenues		\$ 1,235,767,832	\$ 1,235,767,832	
7					
8	PROFORMA BAD DEBT RATE			<u>0.2780080%</u>	
9	PROFORMA BAD DEBTS			\$ 3,435,533	
10					
11	UNCOLLECTIBLES CHARGED TO EXPENSE IN TEST YEAR			<u>3,010,710</u>	
12	INCREASE (DECREASE) EXPENSE				\$ 424,823
13					
14	INCREASE (DECREASE) FIT			35%	(148,688)
15	INCREASE (DECREASE) NOI				<u>\$ (276,135)</u>

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.

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

Exhibit No.      (KRK-13)  
Page 13.09

LINE NO.	DESCRIPTION	ACTUAL	RESTATED / PROFORMA	ADJUSTMENT
1	<u>OPERATING EXPENSES</u>			
2	AMORT OF DEFERRED TAXES OF INDIRECT OVERHEADS			
3	REGULATORY ASSET (WUTC DOC # UG-051528)	\$ 1,015,556	\$ -	\$ (1,015,556)
4	INCREASE IN SERVICE CONTRACT BASELINE CHARGES TSM	134,575	141,236	6,661
5	INCREASE IN SERVICE CONTRACT BASELINE CHARGES DIST	10,061,331	10,503,675	442,344
6	ADJUSTMENT FOR ONE-TIME FAS 106 CURTAILMENT GAIN	(168,077)		168,077
7	COMPANY STORE - PURCHASE OF MERCHANDISE	30,141	0	(30,141)
8	COMPANY STORE - PURCHASE OF MERCHANDISE	27,648	0	(27,648)
9	COMPANY STORE - SALE OF MERCHANDISE	(44,441)	0	44,441
10	SUMMIT BUILDING CONTRACTUAL RENT INCREASES			
11	PER ACCOUNTING PETITION #UE-071876	443,035	1,106,539	663,504
12	AMORTIZATION OF SUMMIT BUYOUT PURCHASE OPTION			
13	PER ACCOUNTING PETITION #UE-071876	0	(548,888)	(548,888)
14	MERGER SAVINGS	39,525		(39,525)
15	ADJUSTMENT TO MOVE WAGES FOR OFFICER TIME ON MERGER			
16	CHARGED TO PSE:			
17	EMPLOYEE BENEFITS, FERC 926	3,923		(3,923)
18	PAYROLL TAXES, FERC 408.1	1,312		(1,312)
19	LABOR & LABOR OH, PTO, INCENTIVES, FERC 920	14,908		(14,908)
20	<b>INCREASE (DECREASE) IN EXPENSE</b>	<b>\$ 11,559,436</b>	<b>\$ 11,202,562</b>	<b>\$ (356,873)</b>
21				
22	<b>INCREASE (DECREASE) IN OPERATING EXPENSE</b>			<b>(356,873)</b>
23	<b>INCREASE(DECREASE) FIT @</b>		<b>35%</b>	<b>124,906</b>
24				
25	<b>INCREASE(DECREASE) NOI</b>			<b>\$ 231,967</b>
26				
27				
28	<u>RATEBASE</u>			
29	CWIP "IN SERVICE" BUT NOT TRANSFERRED TO PLANT			2,458,688
30				
31				
32				
33	<b>TOTAL ADJUSTMENT TO RATEBASE</b>			<b>\$ 2,458,688</b>
34				
35				

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.

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

LINE NO.	DESCRIPTION	AMOUNT
1	RESTATED PROPERTY TAX	\$ <i>11,530,637</i>
2	CHARGED TO EXPENSE IN TY	10,476,286
3	INCREASE(DECREASE) EXPENSE	<u>\$ <i>1,054,351</i></u>
4		
5	INCREASE(DECREASE) FIT @ 35%	<u>(369,023)</u>
6	INCREASE(DECREASE) NOI	<u><u>\$ <i>(685,328)</i></u></u>

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.



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

<b>LINE</b>	<b>NO. DESCRIPTION</b>	<b>AMOUNT</b>
1	RESTATED EXCISE TAXES	\$ 47,160,661
2	CHARGED TO EXPENSE FOR TEST YEAR	47,552,492
3	INCREASE(DECREASE) EXCISE TAX	<u>\$ (391,831)</u>
4		
5	RESTATED WUTC FILING FEE	\$ 2,451,363
6	CHARGED TO EXPENSE FOR TEST YEAR	2,527,692
7	INCREASE(DECREASE) WUTC FILING FEE	<u>\$ (76,330)</u>
8		
9	INCREASE(DECREASE) OPERATING EXPENSE	\$ (468,161)
10		
11	INCREASE(DECREASE) FIT 35%	<u>\$ 163,856</u>
12	INCREASE(DECREASE) NOI	<u><u>\$ 304,305</u></u>

*(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.*

**PUGET SOUND ENERGY-GAS**  
**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	\$ 743,653	\$ <b><i>723,035</i></b>	\$ <b><i>(20,618)</i></b>
2				
3	INCREASE (DECREASE) D&O EXPENSE	\$ 743,653	\$ <b><i>723,035</i></b>	\$ <b><i>(20,618)</i></b>
4				
5	INCREASE (DECREASE) EXPENSE			<b><i>(20,618)</i></b>
6				
7	INCREASE (DECREASE) FIT @		35%	<b><i>7,216</i></b>
8	INCREASE (DECREASE) NOI			<b><i>\$ 13,402</i></b>

*(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.*

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

Exhibit No. \_\_\_(KRK-13)  
Page 13.13

<b>LINE NO. DESCRIPTION</b>	<b>ADJUSTMENT</b>
1 INTEREST EXPENSE FOR TEST YEAR	\$ 187,784
2	
3 INCREASE (DECREASE) NOI	<u>\$ (187,784)</u>

*(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.*

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

Exhibit No. \_\_\_(KRK-13)  
Page 13.14

LINE NO.	DESCRIPTION	AMOUNT
1	<b>DEFERRED EXPENDITURES TO BE AMORTIZED:</b>	
2		
3	REMAINING 2001 GRC DEFERRALS TO BE AMORTIZED	IMMATERIAL
4	LESS TEST YEAR EXPENSE: 2001 GRC AMORTIZATION	241,861
5	INCREASE (DECREASE) EXPENSE	<u>(241,861) \$ (241,861)</u>
6		
7		
8	REMAINING 2004 GRC DEFERRALS TO BE AMORTIZED	IMMATERIAL
9	LESS TEST YEAR EXPENSE: 2004 GRC AMORTIZATION	110,484
10	INCREASE (DECREASE) EXPENSE	<u>(110,484) (110,484)</u>
11		
12		
13	<b>EXPENSES TO BE NORMALIZED:</b>	
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 O&M	<u>316,969</u>
19		
20	INCREASE (DECREASE) EXPENSE	<u>\$ 420,031 420,031</u>
21		
22		
23	TOTAL INCREASE (DECREASE) EXPENSE	\$ 67,686
24		
25	INCREASE(DECREASE) FIT @	35% <u>(23,690)</u>
26	INCREASE(DECREASE) NOI	<u>\$ (43,996)</u>

*(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.*

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

Exhibit No. \_\_\_(KRK-13)  
Page 13.15

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1	DEFERRED GAIN RECORDED SINCE UE-060266, <i>et al.</i> at 10/31/2008	\$ (1,172,831)
2	DEFERRED LOSS RECORDED SINCE UE-060266, <i>et al.</i> at 10/31/2008	312,730
3	TOTAL DEFERRED NET (GAIN) LOSS TO AMORTIZE	<u>\$ (860,101)</u>
4		
5	AMORTIZATION OF DEFERRED NET (GAIN) LOSS FOR RATE YEAR (Line 3/3years)	(286,700)
6		
7	AMORTIZATION OF DEFERRED NET (GAIN) LOSS FOR TEST YEAR	(504,502)
8		
9	INCREASE (DECREASE) EXPENSE (Line 5 - Line 7)	<u>\$ 217,802</u>
10		
11	INCREASE (DECREASE) FIT @ 35%	<u>(76,231)</u>
12		
13	INCREASE (DECREASE) NOI	<u><u>\$ (141,571)</u></u>

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.

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

Exhibit No.      (KRK-13)  
Page 13.16

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA	ADJUSTMENT
1	PROPERTY INSURANCE EXPENSE	\$ 346,848	<i>436,075</i>	\$ 89,227
2	LIABILITY INSURANCE EXPENSE	862,117	<i>937,151</i>	75,035
3	INCREASE(DECREASE) EXPENSE	<u>\$ 1,208,965</u>	<u>\$ 1,373,227</u>	<u>\$ 164,262</u>
4				
5				
6	INCREASE (DECREASE) FIT @	35%		<u>(57,492)</u>
7	INCREASE (DECREASE) NOI			<u><u>\$ (106,770)</u></u>

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.

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

<b>LINE</b>	<b>NO. DESCRIPTION</b>	<b>ACTUAL</b>	<b>RESTATED</b>	<b>ADJUSTMENT</b>
1	QUALIFIED RETIREMENT FUND	\$ 490,476	\$ -	\$ (490,476)
2	SERP PLAN	\$ 1,228,239	\$ 1,309,865	\$ 81,626
3				
4	INCREASE(DECREASE) EXPENSE	<u>\$ 1,718,716</u>	<u>\$ 1,309,865</u>	<u>\$ (408,851)</u>
5				
6				
7	INCREASE (DECREASE) FIT @	35%		<u>143,098</u>
8	INCREASE (DECREASE) NOI			<u><u>\$ 265,753</u></u>

*(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.*

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

Exhibit No. \_\_\_(KRK-13)  
Page 13.18

LINE NO.	DESCRIPTION	TEST YEAR	RATE YEAR	ADJUSTMENT
1	WAGES:			
2	PRODUCTION MANUF. GAS	\$ 87,830	\$ 93,466	\$ 5,636
3	OTHER GAS SUPPLY	478,721	503,463	24,742
4	STORAGE, LNG T&G	475,599	499,345	23,746
5	TRANSMISSION	246,149	260,558	14,409
6	DISTRIBUTION	17,003,356	18,102,499	1,099,143
7	CUSTOMER ACCTS	6,116,658	6,541,419	424,761
8	CUSTOMER SERVICE	921,552	973,034	51,482
9	SALES	191,307	200,471	9,164
10	ADMIN. & GENERAL	9,637,520	10,116,212	478,692
11	TOTAL WAGE INCREASE	<u>35,158,692</u>	<u>37,290,467</u>	2,131,775
12				
13	PAYROLL TAXES	2,956,629	3,093,010	136,381
14	TOTAL WAGES & TAXES	<u>\$ 38,115,321</u>	<u>\$ 40,383,477</u>	<u>\$ 2,268,156</u>
15				
16	INCREASE (DECREASE) OPERATING EXPENSE			\$ 2,268,156
17	INCREASE (DECREASE) FIT @ 35%			(793,855)
18	INCREASE (DECREASE) NOI			<u>\$ (1,474,301)</u>

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.



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

Exhibit No.      (KRK-13)  
Page 13.19

LINE NO.	DESCRIPTION		AMOUNT
1	MANAGEMENT (INC. EXECUTIVES)		
2	INVESTMENT PLAN APPLICABLE TO MANAGEMENT		2,054,720
3	RATE YEAR MANAGEMENT WAGE INCREASE	4.79%	98,421
4	TOTAL COMPANY CONTRIBUTION FOR MANAGEMENT		2,153,141
5			
6	IBEW		
7	INVESTMENT PLAN APPLICABLE TO IBEW		541,567
8	RATE YEAR IBEW WAGE INCREASE	7.97%	43,163
9	TOTAL COMPANY CONTRIBUTION FOR IBEW		584,730
10			
11	UA		
12	INVESTMENT PLAN APPLICABLE TO UA		430,779
13	RATE YEAR UA WAGE INCREASE	6.61%	28,474
14	TOTAL COMPANY CONTRIBUTION FOR UA		459,253
15			
16	TOTAL		
17	TOTAL PROFORMA COSTS (LN 4 + LN 9 + 14)		3,197,124
18	PRO FORMA COSTS APPLICABLE TO OPERATIONS	55.72%	1,781,438
19	CHARGED TO EXPENSE FOR YEAR ENDED 9/30/2007		1,686,681
20	INCREASE (DECREASE) EXPENSE		94,757
21			
22	INCREASE (DECREASE) FIT @	35%	(33,165)
23	INCREASE (DECREASE) NOI		(\$61,592)

*(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.*

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

Exhibit No. \_\_\_(KRK-13)  
Page 13.20

LINE NO.	DESCRIPTION	AMOUNT
1	<u>BENEFIT CONTRIBUTION:</u>	
2	SALARIED EMPLOYEES	\$ 4,981,504
3	UNION EMPLOYEES	4,676,395
4	PRO FORMA INSURANCE COSTS	<u>9,657,899</u>
5		
6	APPLICABLE TO OPERATIONS @	55.72%
7	CHARGED TO EXPENSE 09/30/07	5,381,381
8	INCREASE(DECREASE) EXPENSE	<u>4,493,040</u>
9		888,342
10	INCREASE(DECREASE) FIT @	35%
11		(310,920)
12	INCREASE(DECREASE) NOI	<u><u>\$ (577,422)</u></u>

*(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.*

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

Exhibit No. \_\_\_(KRK-13)  
Page 13.21

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA RESTATE	ADJUSTMENT
1	INCENTIVE/MERIT PAY			
2	PRODUCTION MANUF. GAS	\$ 6,038	\$ 7,350	\$ 1,312
3	OTHER GAS SUPPLY	32,897	39,533	6,636
4	STORAGE, LNG T&G	32,680	39,210	6,530
5	TRANSMISSION	16,907	20,469	3,562
6	DISTRIBUTION	1,168,107	1,421,533	253,426
7	CUSTOMER ACCTS	420,197	513,689	93,492
8	CUSTOMER SERVICE	63,306	76,400	13,094
9	SALES	13,139	15,754	2,615
10	ADMIN. & GENERAL	662,069	794,400	132,331
11	TOTAL INCENTIVE PAY	<u>\$ 2,415,340</u>	<u>\$ 2,928,338</u>	<u>\$ 512,998</u>
12				
13	PAYROLL TAXES ASSOC WITH MERIT PAY	174,871	212,012	37,141
14	INCREASE(DECREASE) EXPENSE	<u>2,590,211</u>	<u>3,140,350</u>	<u>550,139</u>
15				
16	INCREASE (DECREASE) OPERATING EXPENSE			550,139
17				
18	INCREASE(DECREASE) FIT @		35%	(192,549)
19	INCREASE(DECREASE) NOI			<u><u>\$ (357,590)</u></u>

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.

**PUGET SOUND ENERGY-GAS**  
**CRYSTAL MOUNTAIN DIESEL SPILL**  
**FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007**  
**GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA RESTATED	ADJUSTMENT
1				
2	<i>LEGAL EXPENSES CHARGED TO GAS O&amp;M</i>	\$ 158,844	\$ -	\$ (158,844)
3				
4	<i>INCREASE(DECREASE) EXPENSE</i>			<u>(158,844)</u>
5				
6	<i>INCREASE (DECREASE) OPERATING EXPENSE</i>			(158,844)
7				
8	<i>INCREASE(DECREASE) FIT @</i>		35%	55,595
9	<i>INCREASE(DECREASE) NOI</i>			<u>\$ 103,249</u>

(Note) Amounts presented in bold italic type have changed since the April 14, 2008 supplemental filing.