Power Cost Adjustment Mechanism Report

PCA Period Five

Six Months Ended December 31, 2006

REDACTED
VERSION

Index

PUGET SOUND ENERGY
PCA MECHANISM REPORT - PCA 5
SIX MONTHS ENDED DECEMBER 2006

POWER COST ADJUSTMENT SUMMARY

	12 mo end 6.30.03 PCA Period One	12 mo end 6.30.04 PCA Period Two	12 mo end 6.30.05 PCA Period Three	12 mo end 6.30.06 PCA Period Four	**6 mo end 12.31.06 PCA Period Five**	Cumulative PCA Periods
Power Costs						
Actual	$ 845,405,696	$ 903,001,659	$ 959,718,871	$ 1,064,701,272	**$ 597,031,702**	$ 4,369,859,200
Baseline	$ 843,126,410	$ 872,785,985	$ 949,412,459	$ 1,075,227,683	**$ 597,089,567**	$ 4,337,642,104
Difference	$ 2,279,286	$ 30,215,674	$ 10,306,412	$ (10,526,410)	**$ (57,865)**	$ 32,217,097
Wholesale Customers	$ (10,220)	$ (12,220)	$ (4,225)	$ 3,643	**$ 17**	$ (23,005)
Total Cost Over Baseline	$ 2,269,066	$ 30,203,454	$ 10,302,187	$ (10,522,768)	**$ (57,848)**	$ 32,194,092
Allocation of Power Costs						
Company	$ 2,269,066	$ 25,101,727	$ 10,302,187	$ (10,522,768)	**$ (57,848)**	$ 27,092,364
Customers	$ -	$ 5,101,727	$ -	$ -	**$ -**	$ 5,101,727
Total Cost Allocated	$ 2,269,066	$ 30,203,454	$ 10,302,187	$ (10,522,768)	**$ (57,848)**	$ 32,194,091
Customer Share Including Interest						
Customer Share	$ -	$ 5,101,727	$ -	$ -	**$ -**	$ 5,101,727
Interest	$ -	$ 61,868	$ 345,776	$ 736,238	**$ 111,206**	$ 1,255,088
Total Customer Share Including Interest	$ -	$ 5,163,595	$ 345,776	$ 736,238	**$ 111,206**	$ 6,356,815

PUGET SOUND ENERGY
PCA MECHANISM REPORT - PCA 5
SIX MONTHS ENDED DECEMBER 2006

Exhibit A-1 Power Cost Rate Updated: July 1, 2006 - December 31, 2006

Row						
3	Regulatory Assets (Variable) (Note 1)	$	265,779,411			
4	Transmission Rate Base (Fixed)		114,273,211			
5	Production Rate Base (Fixed)		591,893,771			
6		$	971,946,393			
7						
8	Net of tax rate of return		7.01%			
9						
10					**$/MWH**	
11	Regulatory Asset Recovery (on Row 3)	$	14,331,644	$	1.366	(c)
12	Fixed Asset Recovery Other (on Row 4)		6,188,636	$	0.590	(a)
13	Fixed Asset Recovery-Prod Factored (on Row 5)		32,054,890	$	3.055	(a)
14	501-Steam Fuel		26,308,398	$	2.507	(c)
15	555-Purchased power		438,004,470	$	41.741	(c)
16	Commission Disallowance for Tenaska & March Point 2		(5,938,772)	$	(0.566)	(c)
17	Contract Price Adjustments		(700,963)	$	(0.067)	(c)
18	557-Other Power Exp		3,458,737	$	0.330	(a)
19	557-Other Power Expense Adjustments		2,675,279	$	0.255	(a)
20	547-Fuel		34,967,549	$	3.332	(c)
21	565-Wheeling		25,450,919	$	2.425	(c)
22	Variable Transmission Income		(1,439,893)	$	(0.137)	(c)
23	Hydro and Other Pwr.		30,823,680	$	2.937	(a)
24	Hydro and Other Pwr. Adjustment		(848,139)	$	(0.081)	(a)
25	447-Sales to Others		(52,449,757)	$	(4.998)	(c)
26	456-Subaccounts 00012 & 00018 and 00035 & 00036		(4,437,451)	$	(0.423)	(c)
27	Transmission Exp - 500KV		305,934	$	0.029	(a)
28	Depreciation-Production (FERC 403)		25,048,433	$	2.387	(a)
29	Depreciation-Transmission		2,565,694	$	0.245	(a)
30	Amortization - Regulatory Assets		13,730,525	$	1.308	(c)
31	Property Taxes-Production		4,802,852	$	0.458	(a)
32	Property Taxes-Transmission		2,129,038	$	0.203	(a)
33	Subtotal & Baseline Rate	**$**	**597,031,702**	**$**	**56.895**	(b)
34	Revenue Sensitive Items		0.9550366			
35		**$**	**625,140,127**			
36	DELIVERED Load (MWH's) ***July - Dec 2006***		10,493,481	<-- includes Firm Wholesale		
37						
38		Before Rev. S. Items		After Rev. S Items		
39	Power Cost in Rates with Revenue Sensitive Items (the adjusted baseline)			$	59.574	
40	sum of (a) = Fixed Rate Component	$	10.407	$	10.897	
41	(b) = Power Cost Rate	$	56.895	$	59.574	
42	sum of (c) = Variable Power Rate Component	$	46.489	$	48.677	
43			-		-	
44						
45	(Note 1) Regulatory Assets and Liabilities are detailed on Exhibit D (JHS-3 page 15)					

Puget Sound Energy, Inc.

Power Cost Adjustment Mechanism Report

PCA Period Five

Six Months Ended December 31, 2006

Exhibits

From 07/01/06 through 12/31/06
Docket No. UE-060783 2005 PCORC Update Filing Made on May 15, 2006

PUGET SOUND ENERGY
PCA MECHANISM REPORT - PCA 5
SIX MONTHS ENDED DECEMBER 2006

Exhibit A-1 Power Cost Rate: July 1, 2006 - December 31, 2006

Row		Test Year Balances					
3	Regulatory Assets (2) (Variable)	$ 262,780,238					
4	Transmission Rate Base (Fixed)	114,273,211					
5	Production Rate Base (Fixed)	591,893,771					
6		$ 968,947,220			Production		
7	Net of tax rate of return	7.01%			Factor		
8		**Rate Year**	**Rate Year**		0.99569		
9		**Expense**	**$/MWh**		**Rate Year(1)**		
			(I)		**(IV)**		
10	Regulatory Asset (2) Recovery (on Row 3) (3)	$ 14,231,256	$ 1.438	(c)			
11	Fixed Asset Recovery Other (on Row 4) (3)	6,188,636	$ 0.625	(a)	$ 6,188,636		
12	Fixed Asset Recovery-Prod Factored (on Row 5) (3)	32,054,890	$ 3.240	(a)	32,054,890	$ 38,243,526	
13	501-Steam Fuel	24,018,792	$ 2.428	(c)		**/6 Sch. B line 7**	$6,373,921
14	555-Purchased power	352,051,994	$ 35.582	(c)			
14a	Rate Disallowances for March Point 2 and Tenaska	(6,087,225)	$ (0.615)	(c)			
15	557-Other Power Exp	3,458,737	$ 0.350	(a)	3,458,737		
15a	557-Other Power Expense Adjustments	**2,675,279**	**$ 0.270**	**(a)**	**2,675,279**		
16	547-Fuel	40,644,835	$ 4.108	(c)			
17	565-Wheeling	26,150,678	$ 2.643	(c)			
18	Variable Transmission Income	(1,722,689)	$ (0.174)	(c)			
19	Hydro and Other Pwr.	30,823,680	$ 3.115	(a)	30,823,680		
19a	Hydro and Other Pwr. Adjustment	(848,139)	$ (0.086)	(a)	**(848,139)**	$ 70,961,507	
20	447-Sales to Others	(8,707,061)	$ (0.880)	(c)		**/6 Sch. B line 8**	$11,826,918
21	456-Subaccounts 00012 & 00018 and 00035 & 00036	243,282	$ 0.025	(c)			
22	Transmission Exp - 500KV	305,934	$ 0.031	(a)	305,934		
23	Depreciation-Production (FERC 403)	25,048,433	$ 2.532	(a)	25,048,433		
24	Depreciation-Transmission	2,565,694	$ 0.259	(a)	2,565,694		
24a	Amortization - Regulatory Assets	12,952,833	$ 1.309	(c)			
26	Property Taxes-Production	**4,802,852**	**$ 0.485**	(a)	**4,802,852**		
27	Property Taxes-Transmission	2,129,038	$ 0.215	(a)	2,129,038		
28	Subtotal & Baseline Rate	**$ 562,981,728**	**$ 56.901**	(b) (4)	**$ 109,205,033**		
29	Revenue Sensitive Items	0.9550366					
30		**$ 589,487,071**					
31	DELIVERED Load (MWH's) ***July - Dec 2006***	9,894,085	<-- includes Firm Wholesale				
32							
33							
34							
35		Before Rev.	After Rev.				
36		Sensitive Items	Sensitive Items				
37	Power Cost in Rates with Revenue Sensitive	**Rev Req (Column (I))**					
38	Items (the adjusted baseline)	**$ 56.901**	**$ 59.580**				
39	sum of (a) = Fixed Rate Component	**$ 11.037**	**$ 11.557**				
40	(b) = Power Cost Rate	**$ 56.901**	**$ 59.580**				
41	sum of (c) = Variable Power Rate Component	$ 45.863	$ 48.023				

42
43
44 Amounts reported in **BOLD** are new or have been revised since the distribution of the 5/18/2006 revision.
45

46 (1) - Rate Year includes test year amounts plus the impacts of any adjustments to power cost rate.
47 Production related costs are then grossed-up by the production factor of 0.99569 where appropriate.
48
49 (2) - Regulatory Assets are shown in detail on Exhibit D.
50
51 (3) - Rate year amount (Line item * .0701 / .65 / 2 / .99569)
52
53 (4) - Beginning July 1, 2006, $56.901 per MWh will be used in Schedule B to determine the imbalance for
54 sharing under the PCA mechanism.

PUGET SOUND ENERGY
PCA MECHANISM REPORT - PCA 5
SIX MONTHS ENDED DECEMBER 2006

Exhibit A-2 Transmission Rate Base: July 1, 2006 - December 31, 2006

Row				AMA 12/31/2005
6				
7				
8	TRANS - COLSTRIP 1 & 2			
9	E350	Land and Land Rights		10,247
10	E351	Easements		685,927
11	E353	Station Equipment		1,231,131
12	E354	Towers & Fixtures		14,474,343
13	E355	Poles & Fixtures		49,007
14	E356	OH Condcutors & devices		13,158,153
15	E359	Roads & Trails		113,968
16			COLSTRIP 1&2 TRANSMISSION	29,722,775
17	TRANS - COLSTRIP 3 & 4			
18	E351	Easements		1,071,124
19	E352	Structures & Improvements		496,711
20	E353	Station Equipment		17,917,642
21	E354	Towers & Fixtures		20,507,563
22	E355	Poles & Fixtures		88,692
23	E356	OH Conductors & Devices		19,991,226
24	E359	Roads & Trails		341,015
25			COLSTRIP 3&4 TRANSMISSION	60,413,973
26	TRANS - 3RD NW-SW INTERTIE			
27	E350	Land and Land Rights		1,769,178
28	E352	Structures & Improvements		1,276,264
29	E353	Station Equipment		31,158,610
30	E354	Towers & Fixtures		22,781,417
31	E355	Poles & Fixtures		204,200
32	E356	OH Conductors & Devices		23,459,919
33	E356	OH Conductors & Devices		206
34	E359	Roads & Trails		59,215
35			TOTAL 3RD NW-SW INTERTIE	80,709,009
36	TRANS - NORTHERN INTERTIE			
37	E350	Land and Land Rights		30,604
38	E354	Towers & Fixtures-Whatcom		5,744,097
39	E355	Poles & Fixtures-Whatcom		3,398,685
40	E356	OH Conductors & Devices-Whatcom		11,219
41	E355	Poles & Fixtures-Skagit		5,142,699
42	E356	OH Conductors & Devices-Skagit		7,460,099
43			TOTAL NORTHERN INTERTIE	21,787,403
44				
45	Total Transmission			**192,633,160**
46	Less			
47	Accumulated Depreciation (AMA)			(72,225,654)
48	Deferred Taxes (EOP)			(12,897,269)
49	Transmission portion of:			
50	Colstrip Common FERC Adj, net of accum amort			4,048,292
51	Colstrip Def Depr FERC Adj, net of accum amort			2,714,682
	Transmission Ratebase			$ 114,273,211

PUGET SOUND ENERGY
PCA MECHANISM REPORT - PCA 5
SIX MONTHS ENDED DECEMBER 2006

Exhibit A-3 Colstrip Fixed Costs (Page 1 of 2):July 1, 2006 - December 31, 2006

Row			
	Revenue Requirement for Colstrip		
8	Plant	683,847,908	
9	Accumulated Depreciation	(384,319,124)	
10	Deferred Taxes at 6/30/2003	(65,574,042)	
11	Net Plant	233,954,742	
12	Rate of Return (net of Tax)	7.01%	
13	Revenue Requirement after tax	16,400,227	
14	Plant Revenue Requirement	25,231,119	(Adjusted for Federal Tax)
15	Expenses	54,650,791	
16	Total Revenue Requirement	79,881,910	(before revenue sensitive items)
17			
18	Support for Revenue Requirement - Ratebase		

Row	FERC	DESCRIPTION	31-Mar-04	31-Mar-05	13 MONTH AMA	ANNUITY RATE	ANNUALIZED DEPRECIATION	ACUMM. DEPR. 06/30/2003
20		COLSTRIP #1						
21	E311	Structures & Improvements	7,235,283	7,372,745	7,386,230	3.03%	223,803	(4,073,980)
22	E312	Boiler Plant Equipment	54,087,207	52,680,111	53,054,963	3.12%	1,655,315	(33,602,708)
23	E314	Turbo Generating Units	13,596,258	14,969,912	14,634,602	3.29%	481,478	(8,483,528)
24	E315	Accessory Electric Equipment	7,151,247	7,153,656	7,152,593	2.71%	193,835	(4,794,950)
25	E316	Misc. Power Plant Equipment	486,394	537,632	504,143	3.87%	19,510	(246,688)
26		TOTAL	82,556,389	82,714,055	82,732,531	3.11%	2,573,941	(51,201,855)
27		COLSTRIP #2						
28	E311	Structures & Improvements	5,706,503	5,727,592	5,728,283	3.06%	175,285	(3,653,230)
29	E312	Boiler Plant Equipment	46,001,941	46,553,042	46,470,850	3.05%	1,417,361	(28,806,599)
30	E314	Turbo Generating Units	13,493,641	14,323,040	14,249,672	3.26%	464,539	(8,235,807)
31	E315	Accessory Electric Equipment	5,303,205	5,061,164	5,233,253	2.69%	140,775	(3,043,974)
32	E316	Misc. Power Plant Equipment	511,180	562,410	528,043	3.61%	19,062	(247,499)
33		TOTAL	71,016,471	72,227,249	72,210,101	3.07%	2,217,022	(43,987,109)
34		COLSTRIP 1 & 2 COMMON						
35	E311	Structures & Improvements	31,473,984	31,359,809	31,440,683	3.16%	993,526	(20,395,759)
36	E312	Boiler Plant Equipment	8,354,764	8,030,614	8,260,221	3.18%	262,675	(5,767,278)
37	E314	Turbo Generating Units	3,918,858	3,918,858	3,918,858	3.31%	129,714	(2,622,147)
38	E315	Accessory Electric Equipment	2,420,179	2,379,882	2,408,426	3.07%	73,939	(1,470,405)
39	E316	Misc. Power Plant Equipment	6,366,491	6,365,234	6,354,815	3.82%	242,754	(3,559,040)
40		TOTAL	52,534,276	52,054,397	52,383,003	3.25%	1,702,608	(33,814,629)
41		COLSTRIP 3						
42	E311	Structures & Improvements	28,948,432	28,976,803	28,978,876	2.45%	709,982	(15,568,775)
43	E312	Boiler Plant Equipment	121,014,137	118,651,909	119,189,045	2.68%	3,194,266	(63,482,913)
44	E314	Turbo Generating Units	34,313,111	38,223,363	37,220,353	2.97%	1,105,444	(15,966,099)
45	E315	Accessory Electric Equipment	6,466,260	6,466,260	6,466,260	2.47%	159,717	(3,183,989)
46	E316	Misc. Power Plant Equipment	496,445	531,119	507,610	2.86%	14,518	(224,109)
47		TOTAL	191,238,385	192,849,454	192,362,144	2.69%	5,183,927	(98,425,884)
48		COLSTRIP 4						
49	E311	Structures & Improvements	26,552,773	26,546,706	26,554,659	2.54%	674,488	(12,902,625)
50	E312	Boiler Plant Equipment	104,602,581	105,620,134	105,408,981	2.75%	2,898,747	(49,488,910)
51	E314	Turbo Generating Units	30,772,919	33,040,130	32,326,921	2.94%	950,411	(12,387,935)
52	E315	Accessory Electric Equipment	5,660,702	5,660,702	5,660,702	2.52%	142,650	(2,441,024)
53	E316	Misc. Power Plant Equipment	694,048	728,727	705,215	2.79%	19,675	(305,486)
54		TOTAL	168,283,022	171,596,400	170,656,478	2.75%	4,685,971	(77,525,980)
55		COLSTRIP 3 & 4 COMMON						
56	E311	Structures & Improvements	70,723,992	70,676,244	70,713,181	2.33%	1,647,617	(37,638,359)
57	E312	Boiler Plant Equipment	20,359,928	19,413,895	20,084,002	2.48%	498,083	(11,249,994)
58	E314	Turbo Generating Units	277,420	277,420	277,420	2.62%	7,268	(139,868)
59	E315	Accessory Electric Equipment	7,748,971	7,669,926	7,725,916	2.31%	178,469	(3,776,971)
60	E316	Misc. Power Plant Equipment	4,725,566	4,725,430	4,725,435	2.79%	131,840	(2,132,955)
61		TOTAL	103,835,877	102,762,915	103,525,954	2.38%	2,463,277	(54,938,148)
62		COLSTRIP 1-4 COMMON						
63	E316	Misc. Power Plant Equip.	251,534	251,534	251,534	2.46%	6,188	(135,747)
64		TOTAL	251,534	251,534	251,534	2.46%	6,188	(135,747)
65								
66	Subtotal before Colstrip FERC Adjustments		669,715,953	674,456,004	674,121,745	2.79%	18,832,934	(388,517,156)
67	Colstrip Common FERC Adj. (AMA is Net of Accum. Amort.)				6,986,973		354,669	
68	Colstrip Def Depr FERC Adj. (AMA is Net of Accum. Amort.)				2,739,190		104,311	
69		Total Plant and Acc. Deprec.			683,847,908	2.82%	19,291,914	(360,029,352)
70			AMA Adj. to Accum Depr.					4,198,033
71			Totals		683,847,908	2.82%	19,291,914	(384,319,124)

PUGET SOUND ENERGY
PCA MECHANISM REPORT - PCA 5
SIX MONTHS ENDED DECEMBER 2006

Row	**Exhibit A-3 Colstrip Fixed Costs (Page 2 of 2): July 1, 2006 - December 31, 2006**			Section 2 of 2
82				
83				
84				
85				
86	Support for Revenue Requirement - Expenses		Amount before	
87		Description	Prod. Adj.	
88	Order			
89	50004011	1&2 Sup & Eng - Steam Ope	XXXXXX	
90	50004012	1&2 Sup & Eng - Steam Ope	XXXXXX	
91	50005011	3&4 Sup & Eng - Steam Ope	XXXXXX	
92	50005012	3&4 Sup & Eng - Steam Ope	XXXXXX	
93	50204001	1&2 Steam Exp - Steam Gen Op	XXXXXX	
94	50205001	3&4 Steam Exp - Steam Gen Op	XXXXXX	
95	50504001	1&2 Elec Exp - Steam Gen	XXXXXX	
96	50505001	3&4 Elec Exp - Steam Gen	XXXXXX	
97	50604001	1&2 Misc Exp - Steam Gen	XXXXXX	
98	50605001	3&4 Misc Exp - Steam Gen	XXXXXX	
99	50605002	3&4 Steam - Housing	XXXXXX	
100	50704001	1&2 Rents - Steam Gen Oper	XXXXXX	
101	50705001	3&4 Rents - Steam Gen Oper	XXXXXX	
102	51004001	1&2 Maint Supv - Steam Gen	XXXXXX	
103	51005001	3&4 Maint Supv - Steam Gen	XXXXXX	
104	51104001	1&2 Maint of Struct - Stm Gen	XXXXXX	
105	51105001	3&4 Maint of Struct - Stm Gen	XXXXXX	
106	51204001	1&2 Maint of Boiler - Stm Gen	XXXXXX	
107	51205001	3&4 Maint of Boiler - Stm Gen	XXXXXX	
108	51304001	1&2 Maint of E Plant - Stm G	XXXXXX	
109	51305001	3&4 Maint of E Plant - Stm G	XXXXXX	
110	51404001	1&2 Maint of Misc - Stm Gen	XXXXXX	
111	51405001	3&4 Maint of Misc - Stm Gen	XXXXXX	
112		Subtotal on Orders	24,506,641	
113		Property Taxes-Montana	9,075,236	
114		Electric Energy Tax	1,777,000	
115	403xxxxx	Depreciation	19,291,914	
			$ 54,650,791	

REDACTED VERSION

PUGET SOUND ENERGY
PCA MECHANISM REPORT - PCA 5
SIX MONTHS ENDED DECEMBER 2006

2006 PCA Baseline Rate Update Power Cost Projections: July 1, 2006 - December 31, 2006

AURORA + Non-AURORA Power Costs

5.4.06 AURORA model run

0.995690

PCA Update Rate Period: July 2006 - December 2006

		Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	2005 PCORC Rate Year	Production Factored
501	**Coal Fuel**	$ 4,181	$ 4,221	$ 3,358	$ 3,687	$ 4,226	$ 4,346	$ 24,019	23,915,271
547	**Natural Gas Fuel**	$ 4,870	$ 6,685	$ 8,771	$ 7,583	$ 6,206	$ 5,939	$ 40,053	39,880,455
555	**Purchase & Interchange**	$ 37,508	$ 41,340	$ 55,264	$ 67,908	$ 73,225	$ 88,878	$ 364,123	362,553,434
557	**Other Power Supply**	$ 576	$ 576	$ 576	$ 576	$ 576	$ 576	$ 3,459	3,443,830
565	**Wheeling**	$ 4,535	$ 4,449	$ 4,773	$ 4,377	$ 4,355	$ 4,389	$ 26,877	26,761,261
447	**Secondary Sales**	$ (2,781)	$ (3,764)	$ (784)	$ (489)	$ (594)	$ (295)	$ (8,707)	(8,669,534)
	Subtotal	$ 48,889	$ 53,508	$ 71,958	$ 83,642	$ 87,994	$ 103,832	$ 449,823	447,884,718
456	**Non-Core Gas**	(24)	278	38	30	(43)	(35)	243	242,233
	Subtotal with Non-Core Gas	$ 48,865	$ 53,786	$ 71,995	$ 83,672	$ 87,951	$ 103,797	$ 450,067	448,126,951
		14.72%	15.00%	14.65%	16.63%	18.27%	20.73%		
	Load in MWh	1,559,781	1,588,805	1,551,665	1,761,465	1,935,778	2,195,745	10,593,239	
6.6%	**Delivered Load**	1,456,836	1,483,944	1,449,255	1,645,208	1,808,017	2,050,826	9,894,085	
		14.72%	15.00%	14.65%	16.63%	18.27%	20.73%	100.00%	

			2005 PCORC Rate Year	Production Factored
Revenue Requirement Adjustments:				
		Before adjustment	$ 450,067	
Tenaska Buyout Disallowance	50.0%	$ 8,572	(4,286)	
Tenaska Prudence Disallowance	1.2%	$ 104,662	(1,256)	
March Point 2 Prudence Disallowance	3.0%	$ 18,181	(545)	(6,060,989)
		Net Power Costs	$ 443,980	
		Production O&M (including ben & p/r tax)	30,824	30,690,830
		Colstrip 500 KV Expense	306	304,615
		Costs for Revenue Requirement	**$ 475,109**	473,061,408

	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	2005 PCORC Rate Year	Production Factored
Purchase & Interchange	37,507,881	41,339,513	55,264,218	67,908,406	73,225,171	88,877,615	364,122,804	362,553,434
Included on Separate Line:							-	
Tenaska	1,717,917	1,717,917	1,717,917	1,717,917	1,717,917	1,717,917	10,307,500	10,263,075
BEP	293,885	293,885	293,885	293,885	293,885	293,885	1,763,310	1,755,710
Subtotal Amort in P&I	2,011,802	2,011,802	2,011,802	2,011,802	2,011,802	2,011,802	12,070,810	12,018,785
Purchase & Interchange less Amort	35,496,079	39,327,711	53,252,416	65,896,605	71,213,369	86,865,813	352,051,994	350,534,650
Natural Gas Fuel	4,870,142	6,685,324	8,770,717	7,582,635	6,205,617	5,938,648	40,053,084	39,880,455
Post Filing Adjustment								
Included on Separate Line:							-	
CanWest	(316,459)	(316,459)	(316,459)	(316,459)	(316,459)	(316,459)	(1,898,751)	(1,890,568)
Cabot	217,833	217,833	217,833	217,833	217,833	217,833	1,307,000	1,301,367
Subtotal Amort in Fuel	(98,625)	(98,625)	(98,625)	(98,625)	(98,625)	(98,625)	(591,751)	(589,201)
Fuel less Amort	4,968,768	6,783,950	8,869,343	7,681,261	6,304,242	6,037,273	40,644,835	40,469,656
Increase Fuel for post filing correctio	-	-	-	-	-	-	-	
Adjusted Fuel	4,968,768	6,783,950	8,869,343	7,681,261	6,304,242	6,037,273	40,644,835	40,469,656
Wheeling	4,534,586	4,449,480	4,772,827	4,376,698	4,354,745	4,388,766	26,877,101	26,761,261
Included on Separate Line:							-	-
Hopkins Transmission Amort.	121,071	121,071	121,071	121,071	121,071	121,071	726,423	723,292
Subtotal Amort in Wheeling	121,071	121,071	121,071	121,071	121,071	121,071	726,423	723,292
Wheeling less Amort	4,413,515	4,328,409	4,651,757	4,255,627	4,233,674	4,267,695	26,150,678	26,037,969
Remove Interest on HR Ppd	-	-	-	-	-	-	-	
Adjusted Wheeling less Amort	4,413,515	4,328,409	4,651,757	4,255,627	4,233,674	4,267,695	26,150,678	26,037,969
Subtotal Amort in P&I	2,011,802	2,011,802	2,011,802	2,011,802	2,011,802	2,011,802	12,070,810	12,018,785
Subtotal Amort in Fuel	(98,625)	(98,625)	(98,625)	(98,625)	(98,625)	(98,625)	(591,751)	(589,201)
Subtotal Amort in Wheeling	121,071	121,071	121,071	121,071	121,071	121,071	726,423	723,292
White River Amort	124,559	124,559	124,559	124,559	124,559	124,559	747,351	744,130
	2,158,805	2,158,805	2,158,805	2,158,805	2,158,805	2,158,805	12,952,833	12,897,006
Times Prod'n Factor =>	2,149,501	2,149,501	2,149,501	2,149,501	2,149,501	2,149,501	12,897,006	

PUGET SOUND ENERGY
PCA MECHANISM REPORT - PCA 5
SIX MONTHS ENDED DECEMBER 2006

POWER COST BASELINE RATE EFFECTIVE JULY 1, 2006: July 1, 2006 - December 31, 2006

Amounts reflected for Jul-06 through Dec-06 have been updated pursuant to Attachment A to the Settlement Agreement in WUTC Docket No. UE-050870.

Row	**Power Cost Rate**	AUTHORIZED **Adjusted 12 months ended March 31, 2005 Total**	**Fixed or Variable**	**Proposed Basis**	**Proposed Apportionment**	**Jul-06**	**Aug-06**	**Sep-06**	**Oct-06**	**Nov-06**	**Dec-06**	**Total**
		(a)	**(b)**	**(c)**	**(d)**	**(e)**	**(f)**	**(g)**	**(h)**	**(i)**	**(j)**	**(k)**
2	Production Factor	0.99569										
3	Regulatory Assets (Variable)	$ 267,511,998	V	12/2006 AMA	50/50						net of production factor	262,851,032
4	Transmission Rate Base (Fixed)	115,730,840	F	12/2005 AMA	50/50							114,273,211
5	Production Rate Base (Fixed)	624,544,579	F	12/2005 AMA	50/50						net of production factor	591,893,771
		$ 1,007,787,417										
6						Amounts presented in Line 10 through 26 represent test year amounts.						
7	Net of tax rate of return	7.01%				They are converted to rate year values on Line 35.						
8												
9												
10	Regulatory Asset Recovery	$ 28,850,140	V	12/2006 AMA	50/50	2,362,289	2,362,289	2,362,289	2,362,289	2,362,289	2,362,289	14,173,736
11	Fixed Asset Recovery Other	12,481,126	F	12/2005 AMA	50/50	1,026,994	1,026,994	1,026,994	1,026,994	1,026,994	1,026,994	6,161,963
12	Fixed Asset Recovery	67,354,731	F	12/2005 AMA	50/50	5,319,456	5,319,456	5,319,456	5,319,456	5,319,456	5,319,456	31,916,733
13	501-Steam Fuel	41,235,648	V	Updated	Per Model	4,163,333	4,202,760	3,343,176	3,671,087	4,207,927	4,326,989	23,915,271
14	555-Purchased power	650,971,182	V	Updated	Per Model	35,343,091	39,158,209	53,022,898	65,612,590	70,906,439	86,491,422	350,534,650
14a	Disallow. for March Point 2 and Tenaska	(12,026,890)	V	Updated	Per Model	(974,776)	(992,919)	(1,003,827)	(1,014,662)	(1,022,931)	(1,051,874)	(6,060,989)
15	557-Other Power Exp	6,905,045	F	2005 PCORC	50/50	573,972	573,972	573,972	573,972	573,972	573,972	3,443,830
15a	557-Other Power Expense Adjustments	5,327,497	F	2005 PCORC	50/50	**443,958**	**443,958**	**443,958**	**443,958**	**443,958**	**443,958**	**2,663,748**
16	547-Fuel	56,102,147	V	Updated	Per Model	4,947,352	6,754,711	8,831,116	7,648,154	6,277,071	6,011,252	40,469,656
17	565-Wheeling	50,952,098	V	Updated	Per Model	4,394,493	4,309,754	4,631,708	4,237,286	4,215,427	4,249,301	26,037,969
18	Variable Transmission Income	(3,430,528)	V	2005 PCORC	50/50	(285,877)	(285,877)	(285,877)	(285,877)	(285,877)	(285,877)	(1,715,264)
19	Hydro and Other Pwr.	61,381,660	F	2005 PCORC	50/50	5,115,138	5,115,138	5,115,138	5,115,138	5,115,138	5,115,138	30,690,830
19a	Hydro and Other Pwr. Adjustment	(1,688,967)	F	2005 PCORC	50/50	(140,747)	(140,747)	(140,747)	(140,747)	(140,747)	(140,747)	(844,483)
20	447-Sales to Others	(7,821,028)	V	Updated	Per Model	(2,769,361)	(3,747,316)	(780,762)	(486,782)	(591,332)	(293,980)	(8,669,534)
21	456-Subaccounts 00016 & 00018	(1,196,883)	V	Updated	Per Model	(24,189)	276,958	37,553	29,576	(43,096)	(34,568)	242,233
22	Transmission Exp - 500KV	609,231	F	2005 PCORC	50/50	50,769	50,769	50,769	50,769	50,769	50,769	304,615
23	Depreciation/Amortization -Production	50,720,695	F	12/2005 AMA	50/50	4,156,746	4,156,746	4,156,746	4,156,746	4,156,746	4,156,746	24,940,474
24	Depreciation-Transmission	5,109,271	F	2005 PCORC	50/50	425,773	425,773	425,773	425,773	425,773	425,773	2,554,635
24a	Amortization - Regulatory Assets	25,820,706	V	CY06 from 2005 PCORC Amort Sched		2,149,501	2,149,501	2,149,501	2,149,501	2,149,501	2,149,501	12,897,006
25	Property Taxes-Production	9,564,303	F	2005 PCORC	50/50	**797,025**	**797,025**	**797,025**	**797,025**	**797,025**	**797,025**	**4,782,152**
26	Property Taxes-Transmission	4,239,723	F	2005 PCORC	50/50	353,310	353,310	353,310	353,310	353,310	353,310	2,119,862
28	Subtotal & Baseline Rate	1,051,460,904				**67,428,250**	**72,310,462**	**90,430,167**	**102,045,554**	**106,297,812**	**122,046,849**	**560,559,094**
	TEST Year DELIVERED Load	20,026,538										
29	Baseline Rate calculated on TEST Year	$ 52.503										
30												
31	Fixed	222,004,314				**18,122,393**	**18,122,393**	**18,122,393**	**18,122,393**	**18,122,393**	**18,122,393**	**108,734,360**
32	Variable	829,456,590				49,305,857	54,188,069	72,307,774	83,923,161	88,175,419	103,924,455	451,824,735
33	Total	1,051,460,904				**67,428,250**	**72,310,462**	**90,430,167**	**102,045,554**	**106,297,812**	**122,046,849**	**560,559,094**
34												
35	Rate Year = Prod'n Factor Grossed Up	$ 1,056,012,318				**$ 67,720,124**	**$ 72,623,470**	**$ 90,821,608**	**$ 102,487,275**	**$ 106,757,939**	**$ 122,575,147**	**$ 562,985,562**
36	RATE YEAR Delivered Load (MWHs)	20,113,220				1,456,836	1,483,944	1,449,255	1,645,208	1,808,017	2,050,826	9,894,085
37												
38												
39	Baseline Rate calculated on RATE Year	$ 52.503										**$ 56.901**
40	Conversion Factor	0.9550366										0.9550366
41	Baseline Rate incl. Revenue Sensitive Items	$ 54.975										**$ 59.580**
42												
43	Amounts reported in **BOLD** have been revised since the original filing.											

Schedule B: Monthly Power Costs -- PCA PERIOD 5
Derived from Original PCA Exhibit B
Subject to PCA Sharing
UE-011570

PCA Mechanism Report PCA - 5
Six Months Ended December 31, 2006

Row			Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Period to Date
6									
7	Return on Fixed RB		$ 6,373,921	$ 6,373,921	$ 6,373,921	$ 6,373,921	$ 6,373,921	$ 6,373,921	$ 38,243,526
8	Other Fixed Costs		11,826,918	11,826,918	11,826,918	11,826,918	11,826,918	11,826,918	$ 70,961,507
9	Subtotal Fixed Costs		$ 18,200,839	$ 18,200,839	$ 18,200,839	$ 18,200,839	$ 18,200,839	$ 18,200,839	$ 109,205,033
10	Total Variable Component Actual	FERC Acct.							
11	Steam Oper. Fuel	501	$ 4,220,584	$ 5,341,888	$ 3,632,289	$ 4,115,203	$ 4,403,562	$ 4,594,872	$ 26,308,398
12	Other Pwr Gen Fuel	547	7,562,647	7,771,627	6,993,586	5,736,134	3,390,924	2,920,875	34,375,793
13	Other Elec Revenues	45600012,18,35,36,80,81,130	(124,400)	(1,018,290)	1,206,432	(991,261)	(2,978,731)	(531,201)	(4,437,451)
14	Purchase Power	555	49,119,969	55,022,015	61,866,300	85,582,759	92,343,000	106,141,239	450,075,282
15	Sales to Other Util	447	(10,721,553)	(8,699,907)	(4,887,526)	(8,474,956)	(9,798,829)	(9,866,986)	(52,449,757)
16	Wheeling	565	4,191,705	4,162,849	4,370,018	4,213,315	4,879,755	5,137,398	26,955,040
17	Transmission Revenue	45600017	(171,220)	(118,162)	(143,708)	(558,064)	(176,843)	(271,896)	(1,439,893)
18	White River Amortization		124,558	124,558	124,558	124,558	124,558	124,558	747,348
19	Subtotal Variable Components		$ 54,202,290	$ 62,586,578	$ 73,161,949	$ 89,747,688	$ 92,187,396	$ 108,248,859	$ 480,134,760
20									
21	Regulatory Assets (Return on RB portion only)		2,371,876	2,371,876	2,371,876	2,371,876	2,371,876	2,472,264	$ 14,331,644
22									
23	**SUBTOTAL before Adjustments**		$ 74,775,005	$ 83,159,293	$ 93,734,664	$ 110,320,403	$ 112,760,111	$ 128,921,962	$ 603,671,437
24									
25	**Adjustments:**								
26	Prudence from UE-921262		$ (256,815)	$ (271,167)	$ (250,220)	$ (274,916)	$ (296,217)	$ (303,584)	$ (1,652,918)
27	Contract price adjustment		-	-	-	-	(344,758)	(356,205)	(700,963)
28	Colstrip availability adjustment		-						-
29									
30	Frederickson #1 True-up Adjustment		-	-	-	-	-	-	-
31	Tenaska Disallowance (prior month adj)								$ -
32	Tenaska Disallowance (current month adj)		$ (714,309)	$ (714,309)	$ (714,309)	$ (714,309)	$ (714,309)	$ (714,309)	$ (4,285,854)
33									-
34	Subtotal Adjustments		$ (971,124)	$ (985,476)	$ (964,529)	$ (989,225)	$ (1,355,284)	$ (1,374,098)	$ (6,639,735)
35	**Total allowable cost (line 28/line 30) (Before Tenaska adj)**		$ 73,803,881	$ 82,173,817	$ 92,770,135	$ 109,331,178	$ 111,404,827	$ 127,547,864	$ 597,031,702
36									
37									
38	PCA period delivered load (Kwh)		1,573,491,962	1,568,350,162	1,541,506,974	1,721,945,007	1,973,308,935	2,114,878,043	10,493,481,083
39	**Baseline Power Cost**								
40	7/1/2006 - 12/31/06	$0.056901	$ 89,533,013	$ 89,240,945	$ 87,713,288	$ 97,980,393	$ 112,283,252	$ 120,338,676	597,089,567
39a									-
42	Imbalance for Sharing		$ (15,729,132)	$ (7,067,128)	$ 5,056,847	$ 11,350,785	$ (878,425)	$ 7,209,189	$ (57,865)
43	positive is potential customer surcharge, negative is potential customer credit		$ (15,729,132)	$ (7,067,128)	$ 5,056,847	$ 11,350,785	$ (878,425)	$ 7,209,189	$ (57,865)
44									
45		Jul06 - Dec06							
46	**Less Firm Wholesale**	0.02957%	$ (15,724,481)	$ (7,065,039)	$ 5,055,351	$ 11,347,429	$ (878,165)	$ 7,207,057	$ (57,848)
47	**Gross PCA**		$ (15,724,481)	$ (7,065,039)	$ 5,055,351	$ 11,347,429	$ (878,165)	$ 7,207,057	$ (57,848)
48	**Gross PCA Contra**		$ 15,724,481	$ 7,065,039	$ (5,055,351)	$ (11,347,429)	$ 878,165	$ (7,207,057)	$ 57,848
49									
50	**Cumulative Gross PCA**		$ (15,724,481)	$ (22,789,520)	$ (17,734,169)	$ (6,386,740)	$ (7,264,905)	$ (57,848)	$ (57,848)
51	**Cumulative Gross PCA Contra**		$ 15,724,481	$ 22,789,520	$ 17,734,169	$ 6,386,740	$ 7,264,905	$ 57,848	$ 57,848
52									
53									
54	**Note: This schedule was derived from original PCA collaborative exhibit B**								
55									
56									

PUGET SOUND ENERGY
PCA MECHANISM REPORT - PCA 5
SIX MONTHS ENDED DECEMBER 2006

Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes (PCA Periods)
2005 POWER COST ONLY UPDATE FILING MADE MAY 15, 2006 FOR RATES EFFECTIVE JULY 1, 2006

			12 Months Ended December 31		PCA Period						
				Balance net of				Return			
Ref	Description		Asset Amort	AA & ADFIT	Asset Amort	AMA Ratebase	as of	A.T. %	Amount	Pre Tax	Monthly
				(Note 1)		(Note 1)					
9											
10	**Cabot Buyout**				G/L Accts #18230171 and #28300461 and Order #54756002						
17	Dec 2005	$	(2,163,000)	7,102,000	(1,965,500)	8,621,792	6/05	7.3%&7.01%	621,239	955,752	79,646
18	Dec 2006	$	(2,614,000)	4,488,000	(2,388,500)	5,410,125	6/06	7.01%	379,250	583,461	48,622
					(1,307,000)	3,984,333	12/06	7.01%	279,302	429,695	35,808
24											
25	**Tenaska**				G/L Accts #18230001 and #28300451 and Order #55500423						
34	Dec 2005	$	(17,908,000)	184,068,000	(16,326,000)	198,322,583	6/05	7.3%&7.01%	14,290,039	21,984,675	1,832,056
35	Dec 2006	$	(20,615,000)	163,453,000	(19,261,500)	173,230,500	6/06	7.01%	12,143,458	18,682,243	1,556,854
					(10,307,500)	158,961,667	12/06	7.01%	11,143,213	17,143,404	1,428,617
44											
45	**BEP**				G/L Accts #18230071 and #18230081 and Order #55500007						
50	Dec 2005	$	(3,526,620)	40,556,081	(3,526,620)	44,082,701	6/05	7.3%&7.01%	3,176,358	4,886,704	407,225
51	Dec 2006	$	(3,526,620)	37,029,461	(3,526,620)	40,556,081	6/06	7.01%	2,842,981	4,373,817	364,485
					(1,763,310)	$37,911,116	12/06	7.01%	2,657,569	4,088,568	340,714
66											
67	**White River Relicensing (Note 2)**				G/L Accts #18230641, #18230691, #19000021 and 28300011						
70	Dec 2005	$		17,134,558	-	15,867,232	6/05	7.3%&7.01%	362,638	557,905	46,492
71	Dec 2006	$		17,442,218	-	16,727,249	6/06	7.01%	1,172,580	1,803,969	150,331
					-	17,442,218	12/06	7.01%	1,222,699	1,881,076	156,756
79											
80	**White River Plant Costs**				G/L Accts #18220011, #18220021, #18220031, #18220041 and #18220051 and Order #40700015						
81	Beginning	$		43,419,577	DFIT included in 28200121						
82	Dec 2004	$	(1,494,702)	42,052,182							
83	Dec 2005	$	(1,494,702)	40,832,250	(1,494,702)	42,108,377	6/05	7.3%&7.01%	3,034,099	4,667,844	388,987
84	Dec 2006	$	(1,494,702)	39,706,852	(1,494,702)	40,844,007	6/06	7.01%	2,863,165	4,404,869	367,072
					(747,351)	39,988,129	12/06	7.01%	2,803,168	4,312,566	359,380
92											
93	**Canwest Liability**				G/L Accts #25400021, #14300061 and 19000451 and Order # 54756004						
96	Dec 2005	$	632,917	(6,170,942)	-	(1,317,326)	6/05	7.3%&7.01%	(62,513)	(96,174)	(8,014)
97	Dec 2006	$	3,797,503	(3,702,565)	2,531,669	(5,490,031)	6/06	7.01%	(384,851)	(592,079)	(49,340)
					1,898,751	(4,319,660)	12/06	7.01%	(302,808)	(465,859)	(38,822)
103											
104	**Hopkins Ridge Prepaid Transmission (Note 3)**				G/L Acct #18230231 and Order #56500011						
107	Dec 2006	$	(1,094,332)	9,655,668	(367,909)	6,670,465	6/06	7.01%	467,600	719,384	59,949
					(726,423)	10,021,021	12/06	7.01%	702,474	1,080,729	90,061
116											

Ref	Period	From	To	Asset Amort	AMA Ratebase	as of	Return A.T. %	Return Amount	Pre Tax	Monthly
117										
120										
121	PCA #3	Jul 2004	Jun 2005	(23,312,822)	307,685,359	6/05	7.3%&7.01%	21,421,859	32,956,707	2,746,392
122	PCA #4	Jul 2005	Jun 2006	(24,507,562)	277,948,396	6/06	7.01%	19,484,183	29,975,665	2,497,972
123	PCA #5	Jul 2006	Dec 2006	(12,952,833)	263,988,824	12/06	7.01%	18,505,617	28,470,179	2,372,515
128				-	-					

Note (1) Amounts in these columns are net of accumulated amortization AND the associated Deferred FIT liabilitiy / asset.

Note (2) During the 2004 General Rate Case filed under WUTC Docket No. UE-040640, et al., it was agreed that the return of the White River Relicensing costs would be delayed until the sale of White River is complete. At that time, the Commission can make a final determination in a separate proceeding regarding the application of the proceeds against the deferred costs and the disposition of any remaining balance.

Note (3) Because Hopkins Ridge Prepaid Transmission regulatory asset was projected to the entire 12 months of the rate year in UE-05870, a full year's return is allowed for PCA 4 when the Power Cost Baseline Rate is in effect from UE-05870.

PUGET SOUND ENERGY
PCA MECHANISM REPORT - PCA 5
SIX MONTHS ENDED DECEMBER 2006

Schedule E - Contract Adjustments: July 1, 2006 - December 31, 2006

Row		2006 PCA Baseline Rate Update Jul06-Dec06
7	**CONTRACTS**	
8	Baker Replacement	XXXXX
9	BC Hydro Point Roberts	XXXXX
10	BPA WNP-3 Exchange Power	XXXXX
11	BPA WNP3 Return	XXXXX
12	BPA Snohomish Conservation	XXXXX
13	CSPE	XXXXX
14	Mid-Columbia	XXXXX
15	Canadian Entitlement and CEA-EA	XXXXX
16	MPC Firm Contract-Demand	XXXXX
17	MPC Firm Contract-Energy	XXXXX
18	PPL Contract 15 yr	XXXXX
19	Supplemental Entitlement Cap	XXXXX
20	North Wasco Winter	XXXXX
20A	North Wasco Summer	XXXXX
21	WWP Contract 15 yr	XXXXX
22	PG&E Exchange Storage Acctg.	XXXXX
23	QF Shipp Hutch. Creek	XXXXX
24	QF Koma Kulshan Hydro	XXXXX
25	QF March Point Cogen 1 Winter	XXXXX
26	QF March Point Cogen 1 Summer	XXXXX
27	QF March Point Cogen 2 Winter	XXXXX
28	QF March Point Cogen 2 Summer	XXXXX
29	QF Port Townsend Hydro	XXXXX
30	QF PERC Puyallup	XXXXX
31	QF Spokane MSW	XXXXX
31a	QF Spokane MSW Winter	XXXXX
31b	QF Spokane MSW Summer	XXXXX
32	QF Sumas Winter	XXXXX
33	QF Sumas Summer	XXXXX
34	QF Sygitowicz	XXXXX
35	QF Tenaska (excl. Reg. Amort.)	XXXXX
36	QF Twin Falls	XXXXX
37	QF Weeks Falls	XXXXX
38	Skookumchuck	XXXXX

REDACTED
VERSION

PUGET SOUND ENERGY
PCA MECHANISM REPORT - PCA 5
SIX MONTHS ENDED DECEMBER 2006

Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes (PCA Periods)
PCA Period 5 (Trued-Up as of November 30, 2006; Distributed January 8, 2007))

			12 Months Ended December 31		PCA Period						
				Balance net of				Return			
Ref	Description		Asset Amort	AA & ADFIT	Asset Amort	AMA Ratebase as of		A.T. %	Amount	Pre Tax	Monthly
				(Note 1)		(Note 1)					
10											
11	**Cabot Buyout**				G/L Accts #18230171 and #28300461 and Order #54756012						
18	Dec 2005	$	(2,163,000)	5,464,000	(1,965,500)	8,621,792	6/05	7.3%&7.01%	621,239	955,752	79,646
19	Dec 2006	$	(2,614,000)	3,491,000	(2,388,500)	5,410,125	6/06	7.01%	379,250	583,461	48,622
20					(1,307,000)	3,984,333	12/06	7.01%	279,302	429,695	35,808
25											
26	**Tenaska**				G/L Accts #18230001 and #28300451 and Order #55500423						
35	Dec 2005	$	(17,908,000)	173,550,000	(16,326,000)	198,322,583	6/05	7.3%&7.01%	14,290,039	21,984,675	1,832,056
36	Dec 2006	$	(20,615,000)	154,100,000	(19,261,500)	173,230,500	6/06	7.01%	12,143,458	18,682,243	1,556,854
37					(10,307,500)	158,961,667	12/06	7.01%	11,143,213	17,143,404	1,428,617
46											
47	**BEP**				G/L Accts #18230071 and #18230081 and Order #55500007						
52	Dec 2005	$	(3,526,620)	40,556,081	(3,526,620)	44,082,701	6/05	7.3%&7.01%	3,176,358	4,886,704	407,225
53	Dec 2006	$	(3,526,620)	37,029,461	(3,526,620)	40,556,081	6/06	7.01%	2,842,981	4,373,817	364,485
54					(1,763,310)	37,911,116	12/06	7.01%	2,657,569	4,088,568	340,714
68											
69	**White River Relicensing (Note 2)**				G/L Accts #18230641, #18236021, 6031, 6041, 6051, 6061, 6071, #18230691, #19000021 and #28300011						
72	Dec 2005	$		17,134,558	-	15,867,232	6/05	7.3%&7.01%	362,638	557,905	46,492
73	Dec 2006	$		21,307,241	-	16,727,249	6/06	7.01%	1,172,580	1,803,969	150,331
74					-	19,952,479	12/06	7.01%	1,398,669	2,151,798	179,317
81											
82	**White River Plant Costs**				G/L Accts #18220011, #18220021, #18220031, #18220041 and #18220051 and Order #40700015						
85	Dec 2005	$	(1,494,702)	40,832,250	(1,494,702)	42,108,377	6/05	7.3%&7.01%	3,034,099	4,667,844	388,987
86	Dec 2006	$	(1,494,702)	39,625,900	(1,494,702)	40,832,156	6/06	7.01%	2,862,334	4,403,591	366,966
87					(747,351)	39,923,952	12/06	7.01%	2,798,669	4,305,645	358,804
94											
95	**Canwest Liability**				G/L Accts #25400021, #14300061 and #19000451 and Order # 54756004						
98	Dec 2005	$	632,917	(6,170,942)	-	(1,317,326)	6/05	7.3%&7.01%	(62,513)	(96,174)	(8,014)
99	Dec 2006	$	3,797,503	(3,702,565)	2,531,669	(5,490,031)	6/06	7.01%	(384,851)	(592,079)	(49,340)
100					1,898,751	(4,319,660)	12/06	7.01%	(302,808)	(465,859)	(38,822)
105											
106	**Hopkins Ridge Prepaid Transm (Notes 3/4)**				G/L Acct #18230231and #18230371 and Order #56500011						
108	Dec 2005	$	-	10,750,000	-	-	6/05	7.3%&7.01%	-	-	-
109	Dec 2006	$	(1,872,030)	8,857,970	(367,909)	6,670,465	6/06	7.01%	467,600	719,384	59,949
110					(1,504,121)	9,365,525	12/06	7.01%	656,523	1,010,036	84,170
118											

Ref	Period	From	To	Asset Amort	AMA Ratebase as of		A.T. %	Return Amount	Pre Tax	Monthly
119										
122								(Annualized)		
123	PCA #3	Jul 2004	Jun 2005	(23,312,822)	307,685,359	6/05	7.3%&7.01%	21,421,859	32,956,707	2,746,392
124	PCA #4	Jul 2005	Jun 2006	(24,507,562)	277,936,545	6/06	7.01%	19,483,352	29,974,387	2,497,866
125	PCA #5	Jul 2006	Dec 2006	(13,730,530)	265,779,411	12/06	7.01%	18,631,137	28,663,287	2,388,607
130				-	-					
131										

134 **Note (1)** Amounts in these columns are net of accumulated amortization AND the associated Deferred FIT liabilitiy / asset.

136 **Note (2)** During the 2004 General Rate Case filed under WUTC Docket No. UE-040640, et al., it was agreed that the return
137 of the White River Relicensing costs would be delayed until the sale of White River is complete. At that time, the
138 Commission can make a final determination in a separate proceeding regarding the application of the proceeds against
139 the deferred costs and the disposition of any remaining balance.

141 **Note (3)** Because Hopkins Ridge Prepaid Transmission regulatory asset was projected to the entire 12 months of the rate year in
142 UE-050870, a full year's return is allowed for PCA 4 when the Power Cost Baseline Rate is in effect from UE-050870.

144 **Note (4)** Asset amortization for the 12 months ending December 2006 is per the new Hopkins Ridge amortization schedule.
145 Asset amortization for the 6 months ending June 2006 is per the old Hopkins Ridge amortization schedule.
146 Asset amortization for the 6 months ending December 2006 is the difference between the previous two.