

**REDACTED
VERSION**

**PUGET SOUND ENERGY-ELECTRIC
STORM DAMAGE
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE

NO.	DESCRIPTION	AMOUNT		
1	NORMAL STORMS	Transmission	Distribution	Total
2	ACTUAL O&M:			
3	TWELVE MONTHS ENDED 9/30/00	\$ 166,215	\$ 2,374,579	\$ 2,540,794
4	TWELVE MONTHS ENDED 9/30/01	310,116	3,785,706	4,095,822
5	TWELVE MONTHS ENDED 9/30/02	(4,894)	6,583,315	6,578,421
6	TWELVE MONTHS ENDED 9/30/03	6,615	5,325,797	5,332,412
7	TWELVE MONTHS ENDED 9/30/04	202,197	12,072,103	12,274,300
8	TWELVE MONTHS ENDED 9/30/05	51,609	1,947,808	1,999,417
9	TOTAL NORMAL STORMS	731,858	32,089,308	32,821,166
10				
11	SIX-YEAR AVERAGE STORM EXPENSE FOR RATE YEAR	121,976	5,348,218	5,470,194
12				
13	CHARGED TO EXPENSE FOR TEST YEAR ENDED 9/30/05:			
14	STORM DAMAGE EXPENSE (LINE 8)	51,609	1,947,808	1,999,417
15				
16	INCREASE (DECREASE) OPERATING EXPENSE	70,367	3,400,410	3,470,777
17				
18	CATASTROPHIC STORMS			
19	ACTUAL DEFERRED BALANCES:			
20	12/4/03 WIND STORM AT BEGINNING OF RATE YEAR (1/1/07)		8,789,840	
21				
22	THREE-YEAR AMORTIZATION FOR RATE YEAR (LINE 20/3 YEARS)		2,929,947	
23				
24	LESS CATASTROPHIC STORM AMORT (PER UE-040641) FOR TEST YEAR		6,096,698	
25				
26	INCREASE (DECREASE) OPERATING EXPENSE (LINE 22 - LINE 24)			(3,166,751)
27				
28	TOTAL INCREASE (DECREASE) OPERATING EXPENSE (LINE 16 + LINE 26)			304,026
29				
30	INCREASE (DECREASE) FIT @ 35% (LINE 28 X 35%)			(106,409)
31				
32	INCREASE (DECREASE) NOI			\$ (197,617)

Exhibit A-1 Power Cost Rate

Row		Test Year		
3	Regulatory Assets (Variable)	\$	230,034,285	
4	Transmission Rate Base (Fixed)		113,206,055	
5	Production Rate Base (Fixed)		1,002,685,953	
6			<u>\$1,345,926,293</u>	Production
7	Net of tax rate of return		7.57%	Factor
8				0.99109
9				<u>Rate Year</u>
10	Regulatory Asset Recovery (on Row 3)	\$	26,790,147	\$ 1.317 (c)
11	Fixed Asset Recovery Other (on Row 4)		13,184,151	\$ 0.648 (a) 13,184,151
12	Fixed Asset Recovery-Prod Factored (on Row 5)		116,774,349	\$ 5.741 (a) 117,824,162
13	501-Steam Fuel		49,357,273	\$ 2.427 (c)
14	555-Purchased power		712,676,347	\$ 35.040 (c)
14a	Tenaska disallowance		(11,786,042)	\$ (0.579) (c)
15	557-Other Power Exp		7,052,087	\$ 0.347 (a) 7,115,486
15a	Payroll Overheads - Worker's Comp		1,077,159	\$ 0.053 (a) 1,086,842
15b	Property Insurance		1,952,634	\$ 0.096 (a) 1,970,189
15c	Montana Electric Energy Tax		1,704,512	\$ 0.084 (a) 1,719,835
15d	Payroll Taxes on Production Wages		524,291	\$ 0.026 (a) 529,004
16	547-Fuel		44,290,328	\$ 2.178 (c)
17	565-Wheeling		60,298,381	\$ 2.965 (c)
18	Variable Transmission Income		(3,869,746)	\$ (0.190) (c)
19	Hydro and Other Pwr.		73,832,956	\$ 3.630 (a) 74,496,722
20	447-Sales to Others		(10,163,628)	\$ (0.500) (c)
21	456-Subaccounts 00012 & 00018 and 00035 & 00036		(470,768)	\$ (0.023) (c)
22	Transmission Exp - 500KV		862,248	\$ 0.042 (a) 870,000
23	Depreciation & Amort -Production (FERC 403)		68,076,116	\$ 3.347 (a) 68,688,127
24	Depreciation-Transmission		5,109,174	\$ 0.251 (a) 5,109,174
25	Amortization-Production Reg Assets		30,028,391	\$ 1.476 (c)
26	Property Taxes-Production		12,693,942	\$ 0.624 (a) 12,808,062
27	Property Taxes-Transmission		4,237,062	\$ 0.208 (a) 4,237,062
28	Subtotal & Baseline Rate	\$	<u>1,204,231,365</u>	\$ 59.208 (b) 309,638,818
29	Revenue Sensitive Items		0.9549744	
30			<u>\$1,261,009,074</u>	
31	Test Year DELIVERED Load (MWH's)		<u>20,339,227</u>	<-- includes Firm Wholesale
32				
33				
34				
35				
36				
37	Power Cost in Rates with Revenue Sensitive			
38	Items (the adjusted baseline)	\$	59.208	\$ 62.000
39	sum of (a) = Fixed Rate Component	\$	15.097	\$ 15.809
40	(b) = Power Cost Rate	\$	59.208	\$ 62.000
41	sum of (c) = Variable Power Rate Component	\$	44.111	\$ 46.191

Exhibit A-2 Transmission Rate Base

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

**PUGET SOUND ENERGY
 PRODUCTION ADJUSTMENT
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
 GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION 0.891%	FIT 35%
1	<u>O&M ON PRODUCTION PROPERTY</u>			
2	PRODUCTION WAGE INCREASE:			
3	PURCHASED POWER	\$ 61,809	\$ (551)	\$ 193
4	OTHER POWER SUPPLY	283,215	(2,523)	883
5	TOTAL PRODUCTION WAGE INCREASE	345,024	(3,074)	1,076
6				
7	WIND PLANT POWER COSTS AND PRODUCTION O&M:			
8	565 - WHEELING	2,728,405	(24,310)	8,509
9	PRODUCTION O&M	14,650,354	(130,535)	45,687
10	TOTAL WILD HORSE POWER COSTS AND PRODUCTION O&M	17,378,759	(154,845)	54,196
11				
12	ADMIN & GENERAL EXPENSES			
13	PAYROLL OVERHEADS	1,086,842	(9,684)	3,389
14	PROPERTY INSURANCE	1,970,189	(17,554)	6,144
15	TOTAL ADMIN & GENERAL EXPENSES	3,057,031	(27,238)	9,533
16				
17	DEPRECIATION / AMORTIZATION:			
18	DEPRECIATION	65,700,547	(585,392)	166,941
19	AMORTIZATION	2,987,580	(26,619)	8,194
20	TOTAL DEPRECIATION AND AMORTIZATION (FERC 403)	68,688,127	(612,011)	175,136
21	TAXES OTHER-PRODUCTION PROPERTY:			
22	PROPERTY TAXES - WASHINGTON	6,957,804	(61,994)	21,698
23	PROPERTY TAXES - MONTANA	5,850,258	(52,126)	18,244
24	ELECTRIC ENERGY TAX	1,719,835	(15,324)	5,363
25	PAYROLL TAXES	529,004	(4,713)	1,650
26	TOTAL TAXES OTHER	15,056,901	(134,157)	46,955
27				
28	<u>O&M ON REGULATORY ASSETS:</u>			
29	CABOT	\$ 3,078,000	(27,425)	9,599
30	TENASKA	24,343,000	(216,896)	75,914
31	BEP	3,526,620	(31,422)	10,998
32	WHITE RIVER PLANT COSTS	1,494,702	(13,318)	4,661
33	WHITE RIVER RELICENSING & CWIP	-	-	-
34	CANWEST	(3,797,503)	33,836	(11,843)
35	HOPKINS RIDGE PREPAID TRANSMISSION	1,653,530	(14,733)	5,157
36	TOTAL ADJUSTMENT TO O&M ON REGULATORY ASSETS	\$ 30,298,349	\$ (269,958)	\$ 94,486
37	INCREASE(DECREASE) EXPENSE		(1,201,284)	
38	INCREASE(DECREASE) FIT			381,382
39	INCREASE(DECREASE) NOI			\$ 819,902
40				
41	<u>PRODUCTION PROPERTY RATE BASE:</u>			
42	DEPRECIABLE PRODUCTION PROPERTY	\$ 1,699,912,438	\$ (15,146,220)	
43	LESS PRODUCTION PROPERTY ACCUM DEPR.	(664,968,132)	5,924,866	
44	NON-DEPRECIABLE PRODUCTION PROPERTY	51,671,468	(460,393)	
45	LESS PRODUCTION PROPERTY ACCUM AMORT.	(3,018,492)	26,895	
46	COLSTRIP COMMON FERC ADJUSTMENT	6,809,639	(60,674)	
47	COLSTRIP DEFERRED DEPRECIATION FERC ADJ.	2,006,346	(17,877)	
48	ENCOGEN ACQUISITION ADJUSTMENT	46,646,833	(415,623)	
49	NET PRODUCTION PROPERTY	1,139,060,099	(10,149,025)	
50	DEDUCT:			
51	LIBR. DEPREC. PRE 1981 (EOP)	(669,177)	5,962	
52	LIBR. DEPREC. POST 1980 (EOP)	(122,639,761)	1,092,720	
53	OTHER DEF. TAXES (EOP)	(4,050,958)	36,094	
54	SUBTOTAL	(127,359,896)	1,134,777	
55				
56	ADJUSTMENT TO PRODUCTION RATE BASE	\$ 1,011,700,203	\$ (9,014,249)	\$ 1,002,685,955
57				
58	<u>REGULATORY ASSETS RATE BASE:</u>			
59	CABOT	2,824,963	(25,170)	
60	TENASKA	142,925,042	(1,273,462)	
61	BEP	24,007,413	(213,906)	
62	WHITE RIVER PLANT COSTS	39,052,307	(347,956)	
63	WHITE RIVER RELICENSING & CWIP	17,018,469	(151,635)	
64	CANWEST	(2,468,377)	21,993	
65	HOPKINS RIDGE PREPAID TRANSMISSION	8,742,500	(77,896)	
66				
67	ADJUSTMENT TO REGULATORY ASSETS RATE BASE	\$ 232,102,317	\$ (2,068,032)	\$ 230,034,285
68				
69	TOTAL ADJUSTMENT TO RATEBASE (LINE 56 + LINE 67)		\$ (11,082,282)	

Exhibit A-5 Power Costs

**PUGET SOUND ENERGY
POWER COSTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2005
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA	INCREASE (DECREASE)
1	SALES FOR RESALE	\$ 151,158,328	\$ 10,163,628	\$ (140,994,700)
2				
3	PURCHASES/SALES OF NON-CORE GAS	20,154,644	470,768	(19,683,876)
4	WHEELING FOR OTHERS	11,340,015	10,373,140	(966,875)
5		31,494,659	10,843,908	(20,650,751)
6				
7	TOTAL OPERATING REVENUES	182,652,987	21,007,536	(161,645,451)
8				
9	FUEL	\$ 72,975,508	\$ 93,647,602	\$ 20,672,094
10				
11	PURCHASED AND INTERCHANGED	788,255,330	719,667,176	(68,588,154)
12	RATE DISALLOWANCES FOR MARCH POIN	-	(11,786,042)	(11,786,042)
13	SUBTOTAL PURCHASED AND INTERCHAN	\$ 788,255,330	\$ 707,881,134	\$ (80,374,196)
14	WHEELING	43,994,427	57,594,286	13,599,859
15	SCH. 94 - RES./FARM CREDIT	(177,350,021)	-	177,350,021
16	TOTAL PRODUCTION EXPENSES	\$ 727,875,244	\$ 859,123,021	\$ 131,247,777
17	HYDRO AND OTHER POWER	53,185,137	59,032,445	5,847,308
18	TRANS. EXP. INCL. 500KV O&M	604,461	862,248	257,787
19				
20	TOTAL OPERATING EXPENSES	\$ 781,664,842	\$ 919,017,715	\$ 137,352,873
21				
22	INCREASE (DECREASE) OPERATING INCOM	\$ (599,011,855)	\$ (898,010,179)	\$ (298,998,324)
23				
24	REDUCTION TO STATE UTILITY TAX SAVI	3.85%		(37,225)
25	INCREASE (DECREASE) INCOME			\$ (298,961,099)
26	INCREASE (DECREASE) FIT @	35%		(104,636,385)
27	INCREASE (DECREASE) NOI			\$ (194,324,715)

		TEST YEAR			
		GRC	PTC	As Currently Calculated	
3	TEST YEAR Revenue Requirement Wild Horse				
4	Net of Production Factor of	0.99109			
5					
6					
7	Ratebase	Fixed	351,622,824	3,047,020	354,669,844
8			351,622,824	3,047,020	354,669,844
9	Return		7.57%		
10	Return on Ratebase		26,617,848	246,447	26,864,295
11					
12	Wind Plant Recovery	Fixed	40,950,535	379,149	41,329,684
13	Prdctn - Prpty Ins	Fixed	261,855		261,855
14	Wheeling	Variable	2,704,095		2,704,095
15	O&M Wind Plant	Fixed	9,832,955		9,832,955
16	Prdctn Depreciation	Fixed	18,667,968		18,667,968
17	Production Tax Credit	Variable	-	(18,257,403)	(18,257,403)
18	Prdctn - Prpty Taxes	Fixed	2,435,544		2,435,544
19	REVENUE REQUIREMENT - WILD HORSE		74,852,952	(17,878,253)	56,974,699
20	Reduction in Power Costs due to Wild Horse	Variable	(39,720,030)	-	(39,720,030)
21	Subtotal		35,132,923	(17,878,253)	17,254,669
22	Grossup Factor		0.954974	0.954974	0.954974
23	Net Revenue Requirement		36,789,387	(18,721,186)	18,068,201



		RATE YEAR			
		GRC	PTC	Calculated	
29	RATE YEAR Revenue Requirement Wild Horse				
30	Before Production Factor				
31					
32					
33	Ratebase	Fixed	354,783,949	3,074,413	357,858,362
34			354,783,949	3,074,413	357,858,362
35	Return		7.57%		
36	Return on Ratebase		26,857,145	248,663	27,105,807
37					
38	Wind Plant Recovery	Fixed	41,318,685	382,558	41,701,242
39	Prdctn - Prpty Ins	Fixed	264,209		264,209
40	Wheeling	Variable	2,728,405		2,728,405
41	O&M Wind Plant	Fixed	9,921,354		9,921,354
42	Prdctn Depreciation	Fixed	18,835,795		18,835,795
43	Production Tax Credit	Variable	-	(18,421,538)	(18,421,538)
44	Prdctn - Prpty Taxes	Fixed	2,457,440		2,457,440
45	REVENUE REQUIREMENT - WILD HORSE		75,525,888	(18,038,981)	57,486,907
46	Reduction in Power Costs due to Wild Horse	Variable	(40,077,117)	-	(40,077,117)
47	Subtotal		35,448,771	(18,038,981)	17,409,790
48	Grossup Factor		0.954974	0.954974	0.954974
49	Net Revenue Requirement		37,120,128	(18,889,492)	18,230,636

PSE
PTCs in the 190 Deferred Tax Account

	Pre Tax Inc	PTCs generated	*** Activity in 190 Account ***			Interest
			Booked to 190	PTC used	Cum Bal 190	
Nov 05	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	Actual
Dec 05	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	Actual
Jan 06	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	
Feb	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	
Mar	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	
Apr	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	
May	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	
Jun	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	
Jul	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	
Aug	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	
Sep	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	
Oct	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	
Nov	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	
Dec	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
2006 Year	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	
Jan 07	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Feb	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Mar	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Apr	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
May	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Jun	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Jul	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Aug	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Sep	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Oct	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Nov	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Dec	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
2007 Year	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Grant total 2007		XXXXX	XXXXX	XXXXX	XXXXX	
Gross up for FIT		XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
				XXXXX		<=AMA
		PTC	Interest	Total		
Revenue Impact		XXXXX	XXXXX	XXXXX		
Production Factor		XXXXX	XXXXX	XXXXX		
Test Year Revenue Impact		XXXXX	XXXXX	XXXXX		
Conversion Factor		XXXXX	XXXXX	XXXXX		
Revenue Requirement Impact		XXXXX	XXXXX	XXXXX		

Notes:

1. PTC usage is limited to the lesser of 25% of taxable income or AMT.
2. No projected limitation in PTC usage for 2006.
3. No projected limitation in PTC usage for 2007.

Calculation of property taxes on production and transmission:

The amounts determined below are used in the production adjustment as well as the development of the power cost rate for the PCA mechanism. The amounts below are considered to be a component of the restated amount of property taxes shown in the Property Tax Adjustment GRC Page 4.09

	<u>Memo</u>	<u>Production</u>	<u>Transmission</u>	<u>Total</u>
Oregon property taxes (01/01/05-12/31/05 All taxes-Third Intertie)	\$ 763,235	\$ -	\$ 763,235	\$ 763,235
Washington property taxes <i>excluding Encogen</i> (01/1/05-12/31/05)	<u>21,713,636</u>			
Allocation of WA property taxes to production based on 2004 production%: 12.2681%		2,663,846		2,663,846
Transmission-Northern Intertie Fredrickson I			115,556	115,556
Subtotal Washington		<u>1,068,192</u>		<u>1,068,192</u>
		<u>3,732,038</u>	<u>115,556</u>	<u>3,847,594</u>
Montana (All taxes are treated as either production or transmission)				
Total Montana taxes	9,208,529			
Beneficial use (For BPA use)	<u>1,756,518</u>		1,756,518	1,756,518
Property taxes on PSE property (=Total Montana taxes - Beneficial use)	7,452,011			
Property taxes on PSE property distribution:				
AV transmission	1,600,582		1,600,582	1,600,582
Other Generation	5,371,177	5,371,177		5,371,177
Polution control	470,603	470,603		470,603
Remainder [87.8600% to production; (1 - 87.8600%) to transmission]	9,649	8,478	1,171	9,649
Subtotal Montana	<u>\$ 7,452,011</u>	<u>5,850,258</u>	<u>3,358,271</u>	<u>9,208,529</u>
Total restated RY production & transmission property taxes		<u>\$ 9,582,296</u>	<u>\$ 4,237,062</u>	<u>\$ 13,819,358</u>

ESTIMATE
 Puget Sound Energy
 Property Tax Dept
 Allocation of Property Taxes to Production Property
For Assessment Year 2005 Payable in 2006
(05-06)

	40810006		40810012		40810013	
	Washington		Oregon		Montana	
(A) Total plant in Service	3,626,145,180	1	86,483,734	7	769,911,778	10
(B) Future Use	7,273,504	2	0		0	
(C) Acquisition Adj	77,871,127	3	0		0	
(D) CWIP	96,681,020	4	0		0	
(E) Total Utility Plant	3,807,970,831		86,483,734		769,911,778	
(F) Production Plant	467,164,953	5	0		676,444,708	11
(G) Production Plant %	(F) / (E)		0.0000%		87.8600%	
(H) Property Taxes Pro-Forma	22,889,690	6	763,235	8	9,208,529	12
Less 3% discount			0	9		
Less; Non-oper property	(50,000)				(9,648)	
Less MT Beneficial Use		ESTIMATE			(1,756,518)	13
	22,839,690		763,235		7,442,363	
(I) Property taxes on Prod Plant	(G) X (H)		0		6,538,862	

C:\add\060266 Redacted Revised Attachment A to Response to Bench Request 013 PSE 120706.xls]P Tax 06

Total
4,482,540,692
7,273,504
77,871,127
96,681,020
4,664,366,343
1,143,609,661

EST:Revised 10-07-05
PUGET SOUND ENERGY
PROPERTY TAX DEPT
MONTANA, WASHINGTON and OREGON 2004 PROPERTY TAXES
Assessment Year 2005 Payable 2006

A. MONTANA (ELECTRIC)		1/1/05	PER CENT TAXABLE	ASSESSMENT	04-05	
		ACTUAL VALUE			LEVY RATE	TAX AMOUNT
AD VALOREM-Regular	(STATE ASSESSED)	49,254,731	12%	5,910,568		
AD VALOREM-non-pollution generation		325,367,843	6%	19,834,479		
AD VALOREM-POLLUTION CONTROL	(STATE ASSESSED)	57,927,516	3%	1,737,825		
SUB TOTAL		432,550,090		27,482,872	0.27080	7,442,363
BENEFICIAL USE	(STATE ASSESSED)	30,958,831	12%	3,715,060	0.47281	1,756,518
TOTAL		463,508,921		31,197,932		9,198,881
AD VALOREM	(LOCALLY ASSESSED)					9,648
TOTAL						9,208,529
<u>DISTRIBUTION BY ACCOUNT:</u> OPERATING 40810053						9,208,529

B. WASHINGTON (ELECTRIC)		1/1/05	AVERAGE RATIO	ASSESSMENT	04-05	
		ACTUAL VALUE			LEVY RATE	TAX AMOUNT
AD VALOREM	OPERATING (STATE ASSESSED)	1,962,097,000	94.50%	1,854,181,665	12.14000	22,509,765
						134,986
AD VALOREM	OPERATING (LOCALLY ASSESSED)					194,939
AD VALOREM	NON-OPER. (LOCALLY ASSESSED)					50,000
TOTAL						22,889,690
<u>DISTRIBUTION BY ACCOUNT:</u> OPERATING 40810053						19,925,504
	Fredrickson 1					1,068,192
	White river					554,384
	Encogen					1,176,054
	Northern Intertie					115,556
	NON-OPER. 40820001					50,000
TOTAL						(A) 22,889,690

C. WASHINGTON(GAS)		1/1/05	ESTIMATED	0	04-05	
		ACTUAL VALUE	AVERAGE RATIO	ASSESSMENT	LEVY RATE	TAX AMOUNT
AD VALOREM	OPERATING (STATE ASSESSED)	1,123,056,000	94.50%	1,061,287,920	12.16000	12,905,261
AD VALOREM	OPERATING (LOCALLY ASSESSED)					20,000
AD VALOREM	NON-OPER. (LOCALLY ASSESSED)					0
TOTAL						12,925,261
<u>DISTRIBUTION BY ACCOUNT:</u> OPERATING 40810013						12,925,261
	NON-OPER. 40820002					0
TOTAL						12,925,261

D. OREGON		1/1/05	ESTIMATED	0	04-05	
		ACTUAL VALUE	AVERAGE RATIO	ASSESSMENT	LEVY RATE	TAX AMOUNT
AD VALOREM	OPERATING (STATE ASSESSED)	65,011,500	100.00%	65,011,500	11.74	763,235
	Less 3%					
TOTAL						763,235
<u>DISTRIBUTION BY ACCOUNT:</u> OPERATING 40810012						763,235

**PROPERTY INSURANCE COSTS
PRODUCTION PLANT PREMIUMS**

	Renewal Period	Premium
PSE Property generation plants	4/1/05 - 4/1/06	850,310
Colstrip 1&2	4/1/05 - 4/1/06	351,484
Colstrip 3&4	4/1/05 - 4/1/06	373,046
Fredrickson 1	10/1/04 - 10/1/05	256,391

Production Plant	850,310
	64.26%
	546,409.21
Colstrip 1&2	724,530
Fredrickson 1	240,000
	1,510,938.71

*estimates will be trued-up

Renewal Period	Actual and Estimated Premiums
4/1/06 - 4/1/07	850,310 *
4/1/06 - 4/1/07	351,484 *
4/1/06 - 4/1/07	373,046 *
10/1/05 - 10/1/06	240,000

PUGET SOUND ENERGY

2005 PRODUCTION PLANT VALUES & PREMIUM

4/1/05 - 4/1/06

TIV (000's)

HYDRAULIC PRODUCTION PLANT

UPPER BAKER DAM, POWER PLANT AND TRANSMISSION PLANT	314,244
LOWER BAKER DAM, POWER PLANT AND TRANSMISSION PLANT	161,941
WHITE RIVER GENERATING STATION	181,139
SNOQUALMIE FALLS PLANTS 1 AND 2 AND TRANSMISSION PLANT	61,176
ELECTRON HEIGHTS GENERATING PLANT	107,004

OTHER PRODUCTION PLANT

CRYSTAL MOUNTAIN GENERATING PLANT	3,086
WHITEHORN GENERATING STATION AND TRANSMISSION PLANT	73,979
FREDERICKSON 1 & 2 GENERATING STATION AND TRANSMISSION PLANT	76,678
FREDONIA 1, 2, 3 AND 4 GENERATING STATION AND TRANSMISSION PLANT	154,430
ENCOGEN POWER PLANT	155,780
HOPKINS RIDGE WIND PRO (project should be added to policy by year-end 2005)	
TOTAL	

Premiums			
Fire	DIC	Boiler	Total
54,050	50,265	41,645	145,960
27,854	25,578	19,579	73,011
31,156	28,605	21,900	81,661
10,522	9,688	7,396	27,606
18,405	16,914	12,937	48,256
701	527	636	1,864
16,793	11,707	31,096	59,596
31,668	12,133	38,689	82,490
63,780	24,393	78,565	166,738
64,337	24,606	74,185	163,128
			850,310

**PUGET SOUND ENERGY
PRODUCTION PLANT INFORMATION
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2005**

FERC Account or Group Asset #	Description	12 Mo. AMA 09/30/2005	Annualized Depreciation Expense 09/30/2005	Accum Depr (AMA) 09/30/2005
DEPRECIABLE PRODUCTION PLANT				
E311	Structures & Improvements	\$ 176,825,240	\$ 4,617,008	\$(101,814,340)
E312	Boiler Plant Equipment	414,360,035	11,631,377	(233,139,680)
E314	Turbogenerator Units	140,529,672	4,205,729	(63,818,586)
E315	Accessory Electric Equip	37,107,653	955,422	(20,919,704)
E316	Misc Power Plant Equipment	13,986,372	467,165	(7,561,626)
E317	Asset Retirement Costs	1,105,663	23,021	(810,967)
	TOTAL STEAM PRODUCTION	<u>783,914,635</u>	<u>21,899,722</u>	<u>(428,064,902)</u>
E331	Structures & Improvements	14,212,744	1,194,913	(9,685,867)
E332	Reservoirs, Dams & Waterways	102,945,160	7,709,673	(76,154,849)
E333	Turbines & Generators	24,894,795	1,303,170	(12,407,766)
E334	Accessory Electric Equip	5,607,092	348,765	(3,305,711)
E335	Misc Power Plant Equipment	3,162,716	178,782	(1,616,991)
E336	Roads, Trails & Bridges	1,257,567	56,591	(970,265)
E337	Easements	32,899	1,022	(894)
	TOTAL HYDRO PRODUCTION	<u>152,112,973</u>	<u>10,792,915</u>	<u>(104,142,344)</u>
E341	Structures & Improvements	12,212,815	374,098	(7,027,072)
E342	Fuel Holders & Accessories	17,192,011	497,155	(9,167,444)
E344	Generators	166,458,503	4,226,754	(88,613,291)
E345	Accessory Electric Equip	4,436,516	106,760	(2,445,753)
E346	Other Production	2,403,700	79,438	(1,147,268)
E347	Misc Power Plant Equipment	406,074	13,927	(271,432)
	TOTAL OTHER PRODUCTION	<u>203,109,620</u>	<u>5,298,132</u>	<u>(108,672,260)</u>
	TOTAL DEPRECIABLE	<u>1,139,137,228</u>	<u>37,990,768</u>	<u>(640,879,506)</u>
NON-DEPRECIABLE PRODUCTION PLANT				
E310	Steam Production - Land & Land Rights	4,280,674	-	(15)
E330	Hydro Production - Land & Land Rights	4,363,835	89,641	(459,182)
E340	Other Production - Land & Land Rights	3,608,223	-	-
E341	Structures & Improvements	8,694	26	(8,691)
E344	Generators	321,548	11,750	(233,810)
100000	Rock Island Expansion (E303)	525,448	18,437	(497,627)
100006	Whitehorn 2 & 3 Leasesholds (E303)	877,820	(26,010)	(881,071)
100469	Baker River License (E302)	29,790	596	(29,145)
101000	Snoqualmie Project License (E302)	12,950,235	337,632	(268,446)
	TOTAL NON-DEPRECIABLE PROD PLANT	<u>26,966,267</u>	<u>432,071</u>	<u>(2,377,987)</u>
	TOTAL PRODUCTION UTILITY PLANT IN SERVICE	<u>#####</u>	<u>\$ 38,422,840</u>	<u>\$(643,257,493)</u>

Puget Sound Energy
Production Adjustment
For the Twelve Months Ended 9/30/2005
Rate Year: Twelve Months Ended 12/31/2007

Line	Description	% Tax Deductible	Proforma Amount	Production Wage %	Production Amount	Per Books FIT Amount
1	Purchased Power				\$ 61,809	
2	Other Power Supply				283,215	
3	Production Wage and Incentive Plan Increase (2)				\$ 345,024	
4	Payroll Taxes on Production Wages and Incentive		\$ 5,425,683	9.75%	529,004	
5						
6	Payroll Overheads:					
7	Investment Plan		\$ 2,768,075	9.75%	\$ 269,887	
8	Employee Insurance		7,528,061	9.75%	733,986	
9	Worker's Compensation		850,964	9.75%	82,969	
10	Total Overheads		\$ 11,147,100		\$ 1,086,842	
11						
12	Production Property Depreciation (FERC 403):					
13	Test Year Depreciable Production Property				\$ 37,990,768	\$ 9,037,992
14	Hopkins Ridge Wind Plant				8,873,984	3,105,894
15	Wild Horse Wind Plant				18,835,795	6,592,528
16	Subtotal Depreciation				65,700,547	18,736,415
17	Production Property Amortization (FERC 403):					
18	Non-Depreciable Production Property:					
19	Non-Depreciable Production Property				432,071	151,225
20	Colstrip Common FERC Adj. - Reg Asset (1)		1.48%		354,669	(1,837)
21	Colstrip Def Depr FERC Adj. - Reg Asset				104,311	36,509
22	Encogen Acquisition Adjustment				1,547,525	541,634
23	Baker Lake Relicensing Cost Amortization				549,004	192,152
24					2,987,580	919,682
25	Total Production Property Depreciation & Amortization				\$ 68,688,127	\$ 19,656,096
26						
27	Production Factor					0.891%
28						
29	Tax Benefit of Production Adjusted Depreciation (FERC 403)					\$ 166,941
30	Tax Benefit of Production Adjusted Amortization (FERC 403)					\$ 8,194

31

32 (1) Line 20 is calculated as follows: $-(\$354,669 * 1.48% * 35%) = (\$1,837)$

33

34 (2) Production wages and incentive plan costs are included in Power Costs in the Income Statement.

35 Power Costs are presented pro-forma, net of production factor in Adjustment 4.03. Therefore, only the

36 change to production wages and incentive costs (which are not included in Adjustment 4.03) needs to be

37 production-factored in this adjustment.

Puget Sound Energy
 Production Factor
 For the Twelve Months Ended 9/30/2003

Line	Description	Production Amount
1	TEST YEAR <u>BILLED</u> LOAD	20,199,200,095
2	CHANGE IN UNBILLED KWHS (<i>negative for the period</i>)	(3,222,242)
3	TEST YEAR CORE DELIVERED LOAD BEFORE PROFORMA/RESTATING	<u>20,195,977,853</u>
4	ADJUSTMENTS (<i>agrees to Sales of Electricity Report- Total Retail Sales</i>)	4,607,545
5	RESTATING ADJUSTMENTS (<i>out of period items</i>)	(3,668,100)
6	RESTATING ADJUSTMENTS (<i>Sch 40 Interim kWh</i>)	-
7	RESTATING ADJUSTMENTS (<i>end of period customers</i>)	6,486,670
8	PROFORMA ADJUSTMENTS (<i>large power load and Sch 40</i>)	<u>135,823,000</u>
9	PROFORMA ADJUSTMENTS (<i>temp norm</i>)	<u>20,339,226,968</u>
10		
11	TOTAL ADJUSTED TEST YEAR <u>DELIVERED</u> LOAD	÷ 20,522,175,000
12	FORECASTED RATE YEAR KWH	
13		
14	LINE 11 DIVIDED BY LINE 12	0.99109
15		
16	PRODUCTION FACTOR= (1-LINE 14)	0.00891

**PUGET SOUND ENERGY
GENERAL RATE CASE
DETERMINATION OF NET POWER COSTS FOR GRC PAGE 4.03
TEST YEAR ENDED SEPTEMBER 30, 2005
RATE YEAR ENDED DECEMBER 31, 2007**

Line FERC	Description	Rate Year 12ME 12/31/2007	Less Hopkins Ridge	Less Wild Horse	Less Amort of Reg Assets	Remove Ben&Tax	Net Before Prod Factor	After Prod Factor of 0.99109
1	Fuel:							
2	501 Steam Fuel	\$ 49,801,000				\$ -	\$ 49,801,000	\$ 49,357,273
3	547 Fuel	43,969,000			719,503	-	44,688,503	44,290,328
4		93,770,000	-	-	719,503	-	94,489,503	93,647,602
5	Purchased and Interchanged:							
6	555 Purchased Power	746,953,000			(27,869,620)	-	719,083,380	712,676,347
6a	555 Tenaska Buyout Disallowance	(8,317,000)					(8,317,000)	(8,242,896)
6a	555 Tenaska Prudence Disallowance	(2,511,000)					(2,511,000)	(2,488,627)
6a	555 March Point 2 Prudence Disallowance	(1,064,000)					(1,064,000)	(1,054,520)
7	557 Other Power Expense	7,730,000				(676,323)	7,053,677	6,990,829
8		742,791,000	-	-	(27,869,620)	(676,323)	714,245,057	707,881,134
9								
10	565 Wheeling	62,494,000		(2,728,405)	(1,653,530)	-	58,112,065	57,594,286
11							-	
12	various Hydro and Other Power	76,346,000	(4,729,000)	(9,921,354)		(2,132,493)	59,563,153	59,032,445
13								
14	various Trans. Exp. Incl. 500Kv O&M	870,000					870,000	862,248
15	447 Sales for Resale	(10,255,000)					(10,255,000)	(10,163,628)
16	456 Purchases/Sales Of Non-Core Gas	(475,000)					(475,000)	(470,768)
17		(9,860,000)	-	-	-	-	(9,860,000)	(9,772,147)
18								
19	Net Power Costs	965,541,000	(4,729,000)	(12,649,759)	(28,803,647)	(2,808,816)	916,549,778	908,383,319
20	various Variable Transmission Income	(10,466,396)					(10,466,396)	(10,373,140)
21								
22	Power Costs Page 4.03 Line 22	\$ 955,074,604	\$ (4,729,000)	\$ (12,649,759)	\$ (28,803,647)	\$ (2,808,816)	\$ 906,083,382	\$ 898,010,179
23								-
24								
25								
26								
27	Power Costs Provided by Power Cost Analysis Dept.					-	\$ 965,541,000	\$ 956,938,030
28	Benefits and Taxes						(2,808,816)	(2,783,789)
29	Variable Transmission Income						(10,466,396)	(10,373,140)
30	New Plants						(17,378,759)	(17,223,915)
31	Amortization of Regulatory Assets						(28,803,647)	(28,547,007)
32	Power Costs Page 4.03 Line 22						\$ 906,083,382	\$ 898,010,179
33								
34	Power Costs Page 4.03 Line 21						\$ 906,083,382	\$ 898,010,179
35	Add Amortization of Regulatory Assets						30,298,349	30,028,391
36	Add Other Costs to 557						5,305,870	5,258,595
37	New Plants						17,378,759	17,223,915
38	Purchased Power						61,809	61,258
39	Other Power Supply						283,215	280,692
40	Less Transmission Income not related to 3 allowed transmission lines						6,561,861	6,503,394
41	Lines 34 - 41 and Power Cost Portion of Line 23a of Exhibit A-1						\$ 965,973,246	\$ 957,366,424
42								

Reconciliation of Total power Costs

Final Dated 1.9.06
GRC Power Cost Projections
Rate Year AURORA + Non-AURORA Power Costs
1.09.06 AURORA Model run

GRC Rate Year: 2007

													2006 GRC
													Rate Year
	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	
501 Coal Fuel	\$ 4,293	\$ 3,949	\$ 4,377	\$ 3,970	\$ 3,663	\$ 3,235	\$ 4,343	\$ 4,378	\$ 4,337	\$ 4,459	\$ 4,338	\$ 4,459	\$ 49,801
547 Natural Gas Fuel	\$ 1,530	\$ 2,061	\$ 4,419	\$ 963	\$ (719)	\$ (1,066)	\$ 4,317	\$ 7,068	\$ 8,977	\$ 6,375	\$ 5,400	\$ 4,646	43,969
555 Purchase & Interchange	\$ 93,441	\$ 83,547	\$ 74,977	\$ 53,550	\$ 43,066	\$ 48,776	\$ 33,855	\$ 41,751	\$ 42,134	\$ 65,939	\$ 73,531	\$ 92,386	746,953
557 Other Power Supply	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	7,730
565 Wheeling	\$ 5,313	\$ 5,294	\$ 5,314	\$ 5,063	\$ 5,070	\$ 5,067	\$ 5,074	\$ 5,075	\$ 5,069	\$ 5,194	\$ 5,440	\$ 5,521	62,494
447 Secondary Sales	\$ (132)	\$ (33)	\$ (270)	\$ (128)	\$ (18)	\$ (77)	\$ (2,460)	\$ (3,764)	\$ (1,997)	\$ (742)	\$ (590)	\$ (43)	(10,255)
Subtotal	\$ 105,089	\$ 95,462	\$ 89,461	\$ 64,062	\$ 51,705	\$ 56,578	\$ 45,773	\$ 55,153	\$ 59,164	\$ 81,869	\$ 88,763	\$ 107,613	\$ 900,691
456 Non-Core Gas	(31)	(27)	(43)	(21)	-	(4)	(30)	(59)	(74)	(72)	(60)	(54)	(475)
Total Power Costs	\$ 105,058	\$ 95,435	\$ 89,418	\$ 64,042	\$ 51,705	\$ 56,575	\$ 45,743	\$ 55,093	\$ 59,089	\$ 81,797	\$ 88,703	\$ 107,559	\$ 900,217
Load in MWh	2,233,503	1,943,913	2,000,857	1,746,571	1,667,560	1,557,430	1,604,603	1,617,021	1,561,579	1,795,800	1,976,796	2,266,717	21,972,350
Delivered Load	2,086,092	1,815,615	1,868,801	1,631,298	1,557,501	1,454,639	1,498,700	1,510,298	1,458,515	1,677,277	1,846,327	2,117,114	20,522,175
Revenue Requirement Adjustments:													
Before adjustment													\$ 900,217
Tenaska Buyout Disallowance 50.0%													\$ 16,162
Tenaska Prudence Disallowance 1.2%													\$ 209,224
March Point 2 Prudence Disallowance 3.0%													\$ 35,463
Net Power Costs													\$ 888,325
Production O&M (including ben & p/r tax)													76,346
Colstrip 500 KV Expense													870
Costs for Revenue Requirement													\$ 965,541

Excluding Wild Horse

													Rate Year
	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	
501 Coal Fuel	\$ 4,296	\$ 3,952	\$ 4,378	\$ 3,970	\$ 3,663	\$ 3,236	\$ 4,344	\$ 4,379	\$ 4,335	\$ 4,456	\$ 4,335	\$ 4,457	\$ 49,801
547 Natural Gas Fuel	\$ 1,530	\$ 2,061	\$ 4,419	\$ 963	\$ (719)	\$ (1,066)	\$ 4,317	\$ 7,068	\$ 8,977	\$ 6,375	\$ 5,400	\$ 4,646	43,969
555 Purchase & Interchange	\$ 96,492	\$ 86,503	\$ 78,611	\$ 55,495	\$ 45,153	\$ 50,678	\$ 35,786	\$ 44,176	\$ 45,065	\$ 69,495	\$ 77,467	\$ 95,619	780,540
557 Other Power Supply	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	\$ 644	7,730
565 Wheeling	\$ 5,306	\$ 5,287	\$ 5,307	\$ 5,056	\$ 5,063	\$ 5,060	\$ 5,067	\$ 5,068	\$ 5,062	\$ 5,187	\$ 5,433	\$ 5,514	62,412
447 Secondary Sales	\$ (83)	\$ (20)	\$ (141)	\$ (74)	\$ (5)	\$ (35)	\$ (1,617)	\$ (2,661)	\$ (1,143)	\$ (345)	\$ (219)	\$ (13)	(6,357)
Subtotal	\$ 108,185	\$ 98,428	\$ 93,218	\$ 66,054	\$ 53,799	\$ 58,516	\$ 48,540	\$ 58,674	\$ 62,939	\$ 85,813	\$ 93,061	\$ 110,867	\$ 938,094
456 Non-Core Gas	(31)	(27)	(43)	(21)	-	(4)	(30)	(59)	(74)	(72)	(60)	(54)	(475)
Subtotal with Non-Core Gas	\$ 108,154	\$ 98,401	\$ 93,175	\$ 66,033	\$ 53,799	\$ 58,512	\$ 48,510	\$ 58,615	\$ 62,865	\$ 85,741	\$ 93,001	\$ 110,813	\$ 937,619
Load in MWh	2,233,503	1,943,913	2,000,857	1,746,571	1,667,560	1,557,430	1,604,603	1,617,021	1,561,579	1,795,800	1,976,796	2,266,717	21,972,350
Delivered Load	2,086,092	1,815,615	1,868,801	1,631,298	1,557,501	1,454,639	1,498,700	1,510,298	1,458,515	1,677,277	1,846,327	2,117,114	20,522,175
Revenue Requirement Adjustments:													
Before adjustment													\$ 937,619
Tenaska Buyout Disallowance 50.0%													\$ 16,162
Tenaska Prudence Disallowance 1.2%													\$ 209,224
March Point 2 Prudence Disallowance 3.0%													\$ 35,463
Net Power Costs													\$ 925,727
Production O&M (excluding WH)													\$ 66,424
Colstrip 500 KV Expense													870
Costs for Revenue Requirement													\$ 993,022
Cost Decr / (Incr) due to Hopkins Ridge													\$ 27,481

Wild Horse

													Rate Year
	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	
501 Coal Fuel	\$ 4	\$ 4	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ (3)	\$ (3)	\$ (3)	\$ (3)	\$ -
547 Natural Gas Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
555 Purchase & Interchange	\$ 3,051	\$ 2,956	\$ 3,634	\$ 1,944	\$ 2,087	\$ 1,902	\$ 1,931	\$ 2,425	\$ 2,931	\$ 3,556	\$ 3,936	\$ 3,233	33,586
557 Other Power Supply	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
565 Wheeling	\$ (7)	\$ (7)	\$ (7)	\$ (7)	\$ (7)	\$ (7)	\$ (7)	\$ (7)	\$ (7)	\$ (7)	\$ (7)	\$ (7)	(82)
447 Secondary Sales	\$ 48	\$ 13	\$ 129	\$ 54	\$ 13	\$ 42	\$ 843	\$ 1,103	\$ 854	\$ 397	\$ 371	\$ 30	3,898
Subtotal	\$ 3,096	\$ 2,966	\$ 3,757	\$ 1,992	\$ 2,094	\$ 1,938	\$ 2,768	\$ 3,522	\$ 3,776	\$ 3,944	\$ 4,298	\$ 3,254	\$ 37,402
456 Non-Core Gas	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal with Non-Core Gas	\$ 3,096	\$ 2,966	\$ 3,757	\$ 1,992	\$ 2,094	\$ 1,938	\$ 2,768	\$ 3,522	\$ 3,776	\$ 3,944	\$ 4,298	\$ 3,254	\$ 37,402
Load in MWh	-	-	-	-	-	-	(1)	-	-	-	-	-	-
Delivered Load	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue Requirement Adjustments:													
Before adjustment													\$ 37,402
Tenaska Buyout Disallowance 50.0%													\$ -
Tenaska Prudence Disallowance 1.2%													\$ -
March Point 2 Prudence Disallowance 3.0%													\$ -
Net Power Costs													\$ 37,402
Production O&M (including ben & p/r tax)													\$ (9,921)
Colstrip 500 KV Expense													\$ -
Costs for Revenue Requirement													\$ 27,481

Decreases Power Costs: Market Net Purchases (40,077)

Wild Horse }

Increases Power Costs	\$	2,593
Increases Power Costs: Wheeling Costs	\$	82
Increases Production O&M	\$	9,921
Benefit of Wild Horse	\$	(27,481)

AURORA Cost \$x1000

1.9.06 AURORA Run

With Wild Horse

Rate Year: January - December 2007

		<u>Jan-07</u>	<u>Feb-07</u>	<u>Mar-07</u>	<u>Apr-07</u>	<u>May-07</u>	<u>Jun-07</u>	<u>Jul-07</u>	<u>Aug-07</u>	<u>Sep-07</u>	<u>Oct-07</u>	<u>Nov-07</u>	<u>Dec-07</u>	<u>RY Total</u>
501	Coal	\$ 3,608	\$ 3,264	\$ 3,689	\$ 3,282	\$ 2,975	\$ 2,547	\$ 3,655	\$ 3,690	\$ 3,646	\$ 3,768	\$ 3,647	\$ 3,768	\$ 41,541
547	Natural Gas	\$ 5,650	\$ 5,286	\$ 7,744	\$ 2,716	\$ 858	\$ 427	\$ 5,908	\$ 8,788	\$ 10,777	\$ 8,307	\$ 7,420	\$ 7,113	\$ 70,993
555	Purchase & Interchan	\$ 31,692	\$ 28,169	\$ 32,044	\$ 22,664	\$ 11,119	\$ 19,283	\$ 23,622	\$ 26,852	\$ 32,789	\$ 33,144	\$ 34,053	\$ 34,706	\$ 330,137
555MP	Secondary Purchase	\$ 43,176	\$ 39,437	\$ 31,854	\$ 20,111	\$ 20,178	\$ 13,071	\$ 8,029	\$ 10,379	\$ 15,033	\$ 22,061	\$ 22,550	\$ 30,792	\$ 276,671
447	Secondary Sale	\$ (132)	\$ (33)	\$ (270)	\$ (128)	\$ (18)	\$ (77)	\$ (2,460)	\$ (3,764)	\$ (1,997)	\$ (742)	\$ (590)	\$ (43)	\$ (10,255)
	SUBTOTAL AURORA	\$ 83,994	\$ 76,122	\$ 75,061	\$ 48,646	\$ 35,111	\$ 35,251	\$ 38,754	\$ 45,945	\$ 60,248	\$ 66,539	\$ 67,079	\$ 76,336	\$ 709,086
	Load MWh F05	2,233,503	1,943,913	2,000,857	1,746,571	1,667,560	1,557,430	1,604,604	1,617,021	1,561,579	1,795,800	1,976,796	2,266,717	21,972,350

Without Wild Horse

Rate Year: January - December 2007

		<u>Jan-07</u>	<u>Feb-07</u>	<u>Mar-07</u>	<u>Apr-07</u>	<u>May-07</u>	<u>Jun-07</u>	<u>Jul-07</u>	<u>Aug-07</u>	<u>Sep-07</u>	<u>Oct-07</u>	<u>Nov-07</u>	<u>Dec-07</u>	<u>RY Total</u>
501	Coal	\$ 3,608	\$ 3,264	\$ 3,689	\$ 3,282	\$ 2,975	\$ 2,547	\$ 3,655	\$ 3,690	\$ 3,646	\$ 3,768	\$ 3,647	\$ 3,768	\$ 41,541
547	Natural Gas	\$ 5,650	\$ 5,286	\$ 7,744	\$ 2,716	\$ 858	\$ 427	\$ 5,908	\$ 8,788	\$ 10,777	\$ 8,307	\$ 7,420	\$ 7,113	\$ 70,993
555	Purchase & Interchan	\$ 31,692	\$ 28,169	\$ 32,044	\$ 22,664	\$ 11,119	\$ 19,283	\$ 23,622	\$ 26,852	\$ 32,789	\$ 33,144	\$ 34,053	\$ 34,706	\$ 330,137
555MP	Secondary Purchase	\$ 46,400	\$ 42,559	\$ 35,693	\$ 22,213	\$ 22,490	\$ 15,248	\$ 10,214	\$ 13,030	\$ 18,183	\$ 25,858	\$ 26,747	\$ 34,215	\$ 312,850
447	Secondary Sale	\$ (83)	\$ (20)	\$ (141)	\$ (74)	\$ (5)	\$ (35)	\$ (1,617)	\$ (2,661)	\$ (1,143)	\$ (345)	\$ (219)	\$ (13)	\$ (6,357)
	SUBTOTAL AURORA	\$ 87,266	\$ 79,257	\$ 79,029	\$ 50,801	\$ 37,436	\$ 37,470	\$ 41,782	\$ 49,698	\$ 64,253	\$ 70,733	\$ 71,647	\$ 79,790	\$ 749,163
	Load MWh F05	2,233,503	1,943,913	2,000,857	1,746,571	1,667,560	1,557,430	1,604,603	1,617,021	1,561,579	1,795,800	1,976,796	2,266,717	21,972,350

Wild Horse Impact

Rate Year: January - December 2007

		<u>Jan-07</u>	<u>Feb-07</u>	<u>Mar-07</u>	<u>Apr-07</u>	<u>May-07</u>	<u>Jun-07</u>	<u>Jul-07</u>	<u>Aug-07</u>	<u>Sep-07</u>	<u>Oct-07</u>	<u>Nov-07</u>	<u>Dec-07</u>	<u>RY Total</u>
501	Coal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
547	Natural Gas	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
555	Purchase & Interchan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
555MP	Secondary Purchase	\$ 3,224	\$ 3,123	\$ 3,839	\$ 2,102	\$ 2,312	\$ 2,177	\$ 2,185	\$ 2,650	\$ 3,151	\$ 3,797	\$ 4,197	\$ 3,423	\$ 36,179
447	Secondary Sale	\$ 48	\$ 13	\$ 129	\$ 54	\$ 13	\$ 42	\$ 843	\$ 1,103	\$ 854	\$ 397	\$ 371	\$ 30	\$ 3,898
	SUBTOTAL AURORA	\$ 3,272	\$ 3,136	\$ 3,968	\$ 2,156	\$ 2,326	\$ 2,219	\$ 3,028	\$ 3,753	\$ 4,005	\$ 4,194	\$ 4,568	\$ 3,454	\$ 40,077

Wild Horse Project

INCOME STATEMENT

months

12

2007

Capacity (MW)	XXXXXX
Cumulative Months of Operation	XXXXXX
Revenue, \$/MWh	XXXXXX
Capacity Factor	XXXXXX
MWh for entire project - Net of Station Service	XXXXXX
PTC Eligible MWh	XXXXXX
Rate Base	XXXXXX

REVENUE

Revenue Requirement	XXXXXX
---------------------	--------

EXPENSES

Plant Operations & Maintenance

Labor	XXXXXX	
Consumables	XXXXXX	
Parts Replacement	XXXXXX	
Site, Tool & Vehicle Expenses	XXXXXX	
Outside Services	XXXXXX	
Third Party Service Contract (includes Sales and Use Tax)	XXXXXX	Prod' O&M
Total Plant O&M	XXXXXX	

Other Operating Expenses

Property Tax	XXXXXX	Revenue requirement
Insurance	XXXXXX	Revenue requirement
Easement & EFSEC Costs	XXXXXX	Prod' O&M
Land Owner Royalty	XXXXXX	Prod' O&M
Production Payment	XXXXXX	Prod' O&M
Site, Office, & Asset Management	XXXXXX	Prod' O&M
Outside Services (Includes Sales and Use Tax)	XXXXXX	Prod' O&M
Transmission & Integration	XXXXXX	Power Cost
Contingency	XXXXXX	Prod' O&M
Total Other Operating Expenses	XXXXXX	
Total Other Operating Expenses	XXXXXX	

Summary of Wild Horse Non-Capital Costs to 2006 GRC

[Does not include Benefit of decreased Secondary Purch.]

Power Cost	\$	XXXXXX	Variable
Prod' O&M	\$	XXXXXX	Fixed
Revenue Requirement	\$	XXXXXX	Fixed
Hopkins Ridge Costs for GRC	\$	XXXXXX	
Generation (MWhs):	MWH	XXXXXX	XXXXXX

Puget Sound Energy - GRC
Production O&M by Resource

<u>Resource</u>	<u>Steam Ops</u>	<u>Steam Maint</u>	<u>Hydro Ops</u>	<u>Hydro Maint</u>
Colstrip 1/2	XXXXX	XXXXX	XXXXX	XXXXX
Colstrip 3/4	XXXXX	XXXXX	XXXXX	XXXXX
Encogen	XXXXX	XXXXX	XXXXX	XXXXX
Lower Baker	XXXXX	XXXXX	XXXXX	XXXXX
Upper Baker	XXXXX	XXXXX	XXXXX	XXXXX
Electron	XXXXX	XXXXX	XXXXX	XXXXX
Snoqualmie 1/2	XXXXX	XXXXX	XXXXX	XXXXX
White River	XXXXX	XXXXX	XXXXX	XXXXX
Skookumchuck	XXXXX	XXXXX	XXXXX	XXXXX
Freddie 1	XXXXX	XXXXX	XXXXX	XXXXX
Crystal	XXXXX	XXXXX	XXXXX	XXXXX
South Whidbey	XXXXX	XXXXX	XXXXX	XXXXX
Whitehorn 1/2/3	XXXXX	XXXXX	XXXXX	XXXXX
Frederickson	XXXXX	XXXXX	XXXXX	XXXXX
Fredonia 1-4	XXXXX	XXXXX	XXXXX	XXXXX
Undistrib/Other/Misc/Nooksack	XXXXX	XXXXX	XXXXX	XXXXX
Hopkins Ridge	XXXXX	XXXXX	XXXXX	XXXXX
Wild Horse	XXXXX	XXXXX	XXXXX	XXXXX
Whitehorn Lease	XXXXX	XXXXX	XXXXX	XXXXX
Fredonia Lease	XXXXX	XXXXX	XXXXX	XXXXX
Sys Control & Dispatch	XXXXX	XXXXX	XXXXX	XXXXX
TY 10/04 - 9/05	XXXXX	XXXXX	XXXXX	XXXXX
Less: Benefits and taxes	XXXXX	XXXXX	XXXXX	XXXXX
TY 10/04 - 09/05				
less benefits & payroll taxes	XXXXX	XXXXX	XXXXX	XXXXX
<u>Adjustments:</u>				
1 Wind Plant - Hopkins Ridge	XXXXX	XXXXX	XXXXX	XXXXX
2 Snoqualmie Relicensing	XXXXX	XXXXX	XXXXX	XXXXX
3 Muckleshoot normalization	XXXXX	XXXXX	XXXXX	XXXXX
4 Proform Colstrip to Rate Year	XXXXX	XXXXX	XXXXX	XXXXX
5 Remove White River TY O&M	XXXXX	XXXXX	XXXXX	XXXXX
6 Freddy / Epcor	XXXXX	XXXXX	XXXXX	XXXXX
7 Major Maintenance	XXXXX	XXXXX	XXXXX	XXXXX
8 Normalized Major Maint - Ct's	XXXXX	XXXXX	XXXXX	XXXXX
8 Normalized Major Maint - Encogen	XXXXX	XXXXX	XXXXX	XXXXX
9 Norm'd Major Maint - Epcor/Fred1	XXXXX	XXXXX	XXXXX	XXXXX
10 Whitehorn Lease Adjustment	XXXXX	XXXXX	XXXXX	XXXXX
11 Fredonia Lease Adjustment	XXXXX	XXXXX	XXXXX	XXXXX
12 Wind Plant - WildHorse	XXXXX	XXXXX	XXXXX	XXXXX
13 Baker Relicensing	XXXXX	XXXXX	XXXXX	XXXXX
Total Adjustments	XXXXX	XXXXX	XXXXX	XXXXX
Rate Year Prod.O&M - after EB&T	XXXXX	XXXXX	XXXXX	XXXXX

Notes

1. The adjustments on this schedule for White River and Major Maintenance include Benefits & Tax

Rate Year Production O&M incl. benefits & payroll taxes				
TY 10/04 - 9/05	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Total Adjustments	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Rate Year Prod'on O&M (After Adjustments)	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Less Ben & Payroll Tax	XXXXXX	XXXXXX	XXXXXX	XXXXXX
B&T Adjustments:				
White River	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Baker	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Encogen	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Fredonia	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Whitehorn	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Total B&T Adjustments	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Total After Ben & Payroll Tax	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Rate Year Prod'n O&M (After Benefits/Taxes)	XXXXXX	XXXXXX	XXXXXX	XXXXXX
2005 PCORC Prod'n O&M	XXXXXX	XXXXXX	XXXXXX	XXXXXX

(per "Production O&M TY ended 3.31.05.xls")

I:\Cost Accounting\Resource Costs\Forecast & Variance\GRC\2006\Power Costs\Production O&M\I

Notes

1. The adjustments on this schedule for White River and Major Maintenance include Benefits & Tax

I:\Cost Accounting\Resource Costs\Forecast & Variance\GRC\2006\Power Costs\Production O&M\I

res OH

XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX

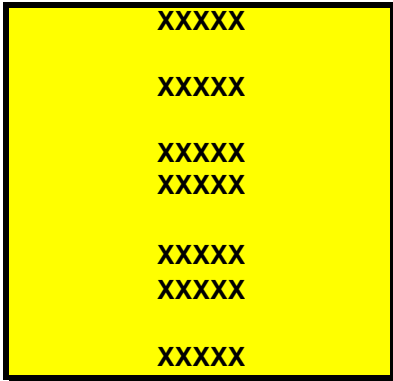
Prod O&M 2006 GRC.xls]Prodn OM by Resource GRC
XXXXX

res OH

Prod O&M GRC 2006.xls]Prodn OM by Resource GRC

**Puget Sound Energy - GRC
Production O&M by Resource**

<u>Resource</u>	Test Year	< =====			
	10/04 - 9/05 less Ben&PT	1	2	3	4
Colstrip 1/2	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Colstrip 3/4	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Encogen	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Lower Baker	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Upper Baker	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Electron	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Snoqualmie 1/2	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
White River	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Skookumchuck	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Freddie 1	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Crystal	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
South Whidbey	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Whitehorn 1/2/3	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Frederickson	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Fredonia 1-4	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Undistrib/Other/Misc/Nooksack	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Hopkins Ridge	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Wild Horse	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Whitehorn Lease	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Fredonia Lease	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
Sys Control & Dispatch	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
TY 10/04 - 9/05	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
	\$	-	-	-	-



B&T

adj

Adj B&T

new RY

===== Adjustments =====							
5	6	7	8	9	10	11	12
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX	XXXXX

Adjusted
Test Year
10/04 - 9/05

13

XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	XXXXX XXXXX
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	
XXXXX	XXXXX	

**PUGET SOUND ENERGY
PROOF THAT RATE YEAR POWER COSTS AGREES TO
AMOUNT PROVIDED BY
2006 GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	BALANCE
1	Total Before Variable Transmission Income	
2	provided by Energy Risk Department	\$ 965,541,000
3	Add Rate Year Variable Transmission Income	(10,466,396)
4	Add Wage Increase and Incentive Adj	345,024
5	Add Production Portion of Manually Cleared	
6	Benefits and Taxes not included in Line 2	(2,808,816)
7	Subtotal	<u>952,610,812</u>
8	Production Factor	0.99109
10	Total Power Costs net of Production Factor	<u><u>944,123,050</u></u>
11		
12		
13		
14	Test Year Power Costs	\$ 599,011,855
15	Adjustments:	
16	Power Costs Adj 2.03	298,998,324
17	Wild Horse Adj 2.27	12,649,759
18	Hopkins Ridge Adj 2.11	6,382,530
19	Wage Increase Adj 2.21	345,024
20	Production Adjustment Adj 2.32	(157,919)
21	Reg Assets / Liab Adj 2.26	26,893,477
22	Total	<u>\$ 944,123,050</u>
23		<u>\$ -</u>

PUGET SOUND ENERGY
DETERMINATION OF ELECTRIC - PRODUCTION RELATED EMPLOYEE BENEFITS AND TAXES
General Rate Case - Test Year 12ME 09/2005; Rate Year 12ME 12/2007

Order Ref Group	Description	Oct - Dec 2004	Jan - Sep 2005	12ME Sep 2005
7 SUMMARY - Production Related Employee Benefits and Payroll Taxes				
8	Production O&M - reclassify to 557	\$ 419,318.85	\$ 1,713,173.67	\$ 2,132,492.52
9	557 Other Power Supply Expense	154,604.62	521,718.28	676,322.90
10	Total 557 used in Power Cost Rate	<u>\$ 573,923.47</u>	<u>\$ 2,234,891.95</u>	<u>\$ 2,808,815.42</u>

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12	DETAIL	Cost Element Group - ASMT_BENEF		
13	500 Steam Oper Supv & Engineering	\$ 2,307.70	\$ 5,967.85	\$ 8,275.55
14	502 Steam Oper Steam Expenses	25.78	3,189.47	3,215.25
15	506 Steam Oper Misc Steam Power	-	4,133.64	4,133.64
16	510 Steam Maint Supv & Engineering	-	10,827.00	10,827.00
17	511 Steam Maint Structures	-	32.97	32.97
18	512 Steam Maint Boiler Plant	-	3,702.64	3,702.64
19	513 Steam Maint Electric Plant	-	1,470.80	1,470.80
20	514 Steam Maint Misc Steam Plant	-	751.39	751.39
21	535 Hydro Oper Supv & Engineering	13,363.61	37,477.50	50,841.11
22	537 Hydro Oper Hydraulic Expenses	27,431.74	119,498.88	146,930.62
23	538 Hydro Oper Electric Expenses	43,711.09	139,269.23	182,980.32
24	539 Hydro Oper Misc Hydraulic Exp	25,472.36	99,487.97	124,960.33
25	541 Hydro Maint Supv & Engineering	5,698.82	11,028.53	16,727.35
26	542 Hydro Maint Structures	10,185.23	45,392.13	55,577.36
27	543 Hydro Maint Res, Dams, Wtrwys	26,455.44	98,284.02	124,739.46
28	544 Hydro Maint Electric Plant	14,258.69	76,917.53	91,176.22
	545 Hydro Maint Misc Hydraulic Plt	25,849.39	97,696.17	123,545.56
	546 Other Pwr Gen Oper Supv & Eng	12,300.30	60,228.94	72,529.24
	548 Other Pwr Gen Oper Gen Exp	15,511.77	109,870.09	125,381.86
	549 Other Pwr Gen Oper Misc	9,269.27	41,371.60	50,640.87
	551 Other Pwr Gen Maint Supv & Eng	2,207.21	14,727.01	16,934.22
34	552 Other Pwr Gen Maint Structures	3,371.92	11,877.10	15,249.02
35	553 Other Pwr Gen Maint Gen & Elec	12,876.75	79,368.57	92,245.32
36	554 Other Pwr Gen Maint Misc	2,392.65	2,183.57	4,576.22
37	556 System Control & Load Dispatch	37,849.24	135,208.13	173,057.37
38	Production O&M - reclassify to 557	290,538.96	1,209,962.73	1,500,501.69
39	557 Other Power Supply Expense	107,181.86	368,223.64	475,405.50
40	TOTAL PRODUCTION RELATED	<u>\$ 397,720.82</u>	<u>\$ 1,578,186.37</u>	<u>\$ 1,975,907.19</u>

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42	DETAIL	Cost Element Group - ASMT_TAXES		
43	500 Steam Oper Supv & Engineering	\$ 1,020.34	\$ 2,471.39	\$ 3,491.73
44	502 Steam Oper Steam Expenses	11.81	1,301.46	1,313.27
45	506 Steam Oper Misc Steam Power	-	1,713.37	1,713.37
46	510 Steam Maint Supv & Engineering	-	4,498.48	4,498.48
47	511 Steam Maint Structures	-	13.66	13.66
48	512 Steam Maint Boiler Plant	-	1,535.80	1,535.80
49	513 Steam Maint Electric Plant	-	609.62	609.62
50	514 Steam Maint Misc Steam Plant	-	312.68	312.68
51	535 Hydro Oper Supv & Engineering	5,931.35	15,480.06	21,411.41
52	537 Hydro Oper Hydraulic Expenses	12,199.08	49,596.77	61,795.85
53	538 Hydro Oper Electric Expenses	19,412.64	58,115.38	77,528.02
54	539 Hydro Oper Misc Hydraulic Exp	11,298.95	41,314.82	52,613.77
55	541 Hydro Maint Supv & Engineering	2,520.46	4,555.02	7,075.48
56	542 Hydro Maint Structures	4,513.01	18,953.80	23,466.81
57	543 Hydro Maint Res, Dams, Wtrwys	11,760.69	41,066.54	52,827.23
58	544 Hydro Maint Electric Plant	6,324.44	32,002.43	38,326.87
59	545 Hydro Maint Misc Hydraulic Plt	11,459.79	40,572.43	52,032.22
60	546 Other Pwr Gen Oper Supv & Eng	5,398.34	25,288.50	30,686.84
61	548 Other Pwr Gen Oper Gen Exp	6,875.78	45,558.86	52,434.64
62	549 Other Pwr Gen Oper Misc	4,117.01	17,125.78	21,242.79
63	551 Other Pwr Gen Maint Supv & Eng	976.37	6,358.23	7,334.60
64	552 Other Pwr Gen Maint Structures	1,494.44	4,921.86	6,416.30

PUGET SOUND ENERGY
DETERMINATION OF ELECTRIC - PRODUCTION RELATED EMPLOYEE BENEFITS AND TAXES
General Rate Case - Test Year 12ME 09/2005; Rate Year 12ME 12/2007

Order Ref Group	Description	Oct - Dec 2004	Jan - Sep 2005	12ME Sep 2005
65 553	Other Pwr Gen Maint Gen & Elec	5,706.64	32,789.37	38,496.01
66 554	Other Pwr Gen Maint Misc	1,059.73	904.18	1,963.91
67 556	System Control & Load Dispatch	16,699.02	56,150.45	72,849.47
68	Production O&M - reclassify to 557	128,779.89	503,210.94	631,990.83
69 557	Other Power Supply Expense	47,422.76	153,494.64	200,917.40
70	TOTAL PRODUCTION RELATED	<u>\$ 176,202.65</u>	<u>\$ 656,705.58</u>	<u>\$ 832,908.23</u>

C:\add\060266 Redacted Revised Attachment A to Response to Bench Request 013 PSE 120706.xls\EB&Taxes

Calculation of proforma transmission revenue adjustment

Account	Description	12ME ended		
		09/05	Restated	Adjustment
45600002	4310 - Other Elec Rev - Transm Snohomish	\$ 10,422	\$ 10,422	\$ -
45600004	4310 - Other Elec Rev - Transm Mlsc	-	-	-
45600017	4310-Elec Trans Rev -OASIS-Cols,SI ,NI	4,778,155	3,904,535	(873,620)
45600019	4310 - Elec Trans. Rev - Ancillary Svc	213,395	213,395	
45600024	4310 - Other Elec Rev - Transm Seattle	332,304	332,304	-
45600025	4310 - Other Elec Rev -Transm Tacoma	4,576	4,576	(0)
45600030	4310- Elec Transm Rev - BPA GTA to OATT	1,076,360	1,076,360	0
45600050	4310- Elec Transm Rev -GTA Direct charge	307,400	307,400	0
45600060	4310-Elec Trans Rev - Network 449 Transm	1,025,790	1,025,790	(0)
45600061	4310-Elec Trans Rev- Network 449 Anc.svc	854,253	854,253	0
45600062	4310-Elec Trans Rev -Network 449 Imbalan	1,370,334	1,370,334	(0)
45600064	4310 - Elec Trans. Rev - Losses	6,025	6,025	0
45600065	4310 - Elec Trans. Rev - GTA Imbalance	55,879	55,879	(0)
45600066	4310 - Elec Trans. Rev - GTA Losses	311,799	311,799	(0)
45600067	4310 - Elec Trans Rev - SeaTac OATT (T)	95,241	95,241	
45600068	4310 - Elec Trans Rev -SeaTac OATT (WDS)	200,300	200,300	
45600069	4310-Elec Trans Rev-SeaTac Ancillary Svc	26,593	26,593	
45600070	4310-Elec Trans Rev-SeaTac Egy Imbalance	178,877	178,877	(0)
45600071	4310 -Elec Trans Rev-SeaTac Ded Facility	448,485	448,485	
45600072	4310-Elec Trans Rev -OASIS-WA(Non GTA)	43,360	43,360	
45600075	4310-Ele Trans Rev OASIS Overrun Penalty	468	468	-
Totals		\$ 11,340,016	\$ 10,466,396	\$ (873,620)
			\$ 6,561,861	