

ATTACHMENT

PARTIAL SETTLEMENT

GAS RATE SPREAD AND RATE DESIGN

Puget Sound Energy
2007 Gas General Rate Case
Test Year Ended September 2007
Allocation of Revenue Deficiency to Rate Classes - Proposed Settlement

Rate Class	A	B	C	D	E	F	G	H	I	J
	Pro forma Revenue at Existing Rates	Pro forma Gas Revenue at Existing Rates	Pro forma Margin at Existing Rates	Volume (Therms)	Percent of Average Increase	Proposed Margin Increase Percentage	Spread Residual Increase	Total Proposed Margin Increase	Calculated Margin Revenue	
Residential (16,23,53)	\$ 674,882,702	\$ 448,168,679	\$ 226,714,023	532,765,816	98.46%	\$ 33,461,072	\$ 214,399	\$ 33,675,471	\$ 260,393,150	
Commercial & industrial (31,61)	235,933,075	170,546,291	65,386,783	203,951,509	142.35%	13,952,405	\$ 89,399	14,041,804	79,428,268	
Large volume (41)	68,999,638	55,270,173	13,729,465	68,401,668	12.5%	257,256	\$ 1,648	258,904	13,987,746	
Compressed natural gas (50)	125,338	96,406	28,932	120,864	0.0%	-	-	-	28,932	
Interruptible (85)	18,969,276	12,412,192	6,557,084	62,955,045	12.5%	122,863	\$ 787	123,651	6,680,734	
Limited interruptible (86)	17,171,388	13,628,513	3,542,875	16,961,705	0.0%	-	-	-	3,542,871	
Non exclusive interruptible (87)	36,443,582	28,320,250	8,123,332	164,063,695	50.0%	608,844	\$ 3,901	612,745	8,736,079	
Transportation (57), inc. in (87)										
Contracts	1,589,366	-	1,589,366	34,987,866	50.0%	119,123	\$ 763	119,886	1,645,131	
Subtotal	\$ 1,054,114,365	\$ 728,442,504	\$ 325,671,860	1,084,208,169		\$ 48,521,563	\$ 310,898	\$ 48,832,461	\$ 374,442,911	
Rentals	7,788,789		7,788,789		100.0%	1,167,539		1,167,539	8,955,177	
Other revenue	6,291,644		6,291,644						6,291,644	
Total	\$ 1,068,194,798	\$ 728,442,504	\$ 339,752,293	1,084,208,169		\$ 49,689,102	\$ 310,898	\$ 50,000,000	\$ 389,689,732	

Proposed total increase example **\$ 50,000,000**
Average increase (includes rentals) **\$ 310,898**
14.99%
4.7%

(1) Calculated margin increase (column M) divided by pro forma revenue at existing rates (column B).

**Puget Sound Energy
2007 Gas General Rate Case
Test Year Ended September 2007
Allocation of Revenue Deficiency to Rate Classes - Proposed Settlement**

Rate Class	Pro forma Gas Revenue at Existing Rates	Calculated Total Revenue	Calculated Change in Margin	Margin Increase	Percent Margin Increase	Percent Total Increase	Over (Under) Target Spread	Percent Increase on Spread	Over (Under) Target Spread	Percent Increase on Spread	Total Percent Increase on Spread	Margin Percent of Average Increase
A	K	L	M	N	O	P	Q	R	S	T	U	V
Residential (16,23,53)	\$ 448,168,679	\$ 708,561,828	\$ 33,679,126	14.9%	5.0%	\$ 3,655	14.9%	4.8%	99.1%			
Commercial & industrial (31,61)	170,546,291	249,974,559	14,041,484	21.5%	6.0%	(319)	21.5%	5.6%	143.3%			
Large volume (41)	55,270,173	69,257,918	258,281	1.9%	0.4%	(623)	1.9%	0.4%	12.6%			
Compressed natural gas (50)	96,406	125,338	(0)	0.0%	0.0%	(0)	0.0%	0.0%	0.0%			
Interruptible (85)	12,412,192	19,092,925	123,649	1.9%	0.7%	(1)	1.9%	0.6%	12.6%			
Limited interruptible (86)	13,628,513	17,171,384	(3)	0.0%	0.0%	(3)	0.0%	0.0%	0.0%			
Non exclusive interruptible (87)	28,320,250	37,056,330	612,748	7.5%	1.7%	3	7.5%	1.7%	50.3%			
Transportation (57), inc. in (87)	-	1,645,131	55,765	3.5%	3.5%	(64,121)	7.5%	7.3%	50.3%			
Contracts	\$ 728,442,504	\$ 1,102,885,415	\$ 48,771,050	15.0%	4.6%	(61,410)	15.0%	4.4%	100.0%			
Subtotal		8,955,177	1,166,388	15.0%	15.0%	(1,151)	15.0%	13.0%	100.0%			
Rentals		6,291,644		0.0%	0.0%							
Other revenue												
Total	\$ 728,442,504	\$ 1,118,132,236	\$ 49,937,438	14.7%	4.7%	(62,562)	14.72%	4.5%	98.2%			

Proposed total increase
Average increase (includes rentals)

(1) Calculated margin increase (column M) divided by pro forma revenue at existing rates (column B).

Joint Parties
Summary of Proposed Natural Gas Revenue Allocation and Rate Design - Proposed Settlement

Docket Nos. UE-072300 & UG-072301

Line No.	Rate Schedule	Tariff	Rate Spread Before Residual	Customer Charge	Demand Charge	Per Therm Charge Based on \$50,000,000 Revenue Increase
1	Residential	23	Approx. 98.46% of system average	\$10.00	na	Residual = \$0.33706/therm
2	Gas Lights	16	Approx. 98.46% of system average	\$14.48/mantle less \$1.00/mantle in same steps	na	na
3	Small General Service - Sales	31	Approx 142.35% of system average	\$30.00	na	Residual = \$0.29375/therm
4	Small General Service - Transport	31T	na	\$330.00	na	Same as Schedule 31
5	Large General Service - Sales	41	Approx 12.5% of system average	\$105.00	Same as Schedule 87	Residual equal % to each block
6	Large General Service - Transport	41T	Approx 12.5% of system average	\$405.00	Same as Schedule 87	Same as Schedule 41
7	Interruptible - Sales	85	Approx 12.5% of system average	100% of Schedule 87 class average increase	Same as Schedule 87	Residual equal % to each block
8	Interruptible - Transport	85T	Approx 12.5% of system average	100% of Schedule 87 class average increase	Same as Schedule 87	Same as Schedule 85
9	Limited Interruptible - Sales	86	0% of system average	\$137.50	Same as Schedule 87	Residual equal % to each block
10	Limited Interruptible - Transport	86T	na	\$437.50	Same as Schedule 87	Same as Schedule 86
11	Non-Exclusive Interruptible - Sales	87	Approx 50.0% of system average	100% of class average increase	100% of class average increase	Residual equal % to each block
12	Non-Exclusive Interruptible - Transport	87T	Approx 50.0% of system average	100% of class average increase	100% of class average increase	Same as Schedule 87
13	Transportation	57	Schedule 57 to be terminated	na	na	na
14	Contracts		Approx 50.0% of system average	Based on contracts	Based on contracts	Based on contracts
15	Water Heater Rentals	71-74	100% of system average	System average increase	na	na

Puget Sound Energy
2007 Gas General Rate Case
Test Year Ended September 2007
Current and Proposed Rates by Rate Schedule - Proposed Settlement

Description	Units	Billing Determinants		Present		Proposed		Difference	
		Rates	Determinants	Rates	Revenues	Rates	Revenues	\$	%
Schedule 23									
Basic Charge	Bills	8.25	8,081,187	\$8.25	\$66,669,793	\$10.00	\$80,811,870	\$14,142,077	21.2%
Delivery Charge	Therms	\$0.30039	532,746,609	\$0.30039	\$160,031,754	\$0.33706	\$179,567,572	\$19,535,818	12.2%
Calculated Total					\$226,701,547		\$260,379,442	\$33,677,895	14.9%
Gas Revenue (Schedule 101) (1)	Therms		532,746,609	\$0.84120	\$448,146,447	\$0.84120	\$448,146,447	\$0	0.0%
Total Revenues					\$674,847,994		\$708,525,890	\$33,677,895	5.0%
Schedule 53									
Basic Charge	Bills	60		\$8.25	\$495	\$10.00	\$600	\$105	
Delivery Charge	Therms	3,285		\$0.30039	\$987	\$0.33706	\$1,107	\$120	
Calculated Total					\$1,482		\$1,707	\$225	15.2%
Gas Revenue (Schedule 101) (1)	Therms		3,285	\$2.69124	\$8,841	\$2.69124	\$8,841	\$0	0.0%
Total Revenues					\$10,323		\$10,548	\$225	2.2%

Puget Sound Energy
2007 Gas General Rate Case
Test Year Ended September 2007
Current and Proposed Rates by Rate Schedule - Proposed Settlement

Description	Units	Billing Determinants		Present		Proposed		Difference	
		Mantles	Rates	Revenues	Rates	Revenues	\$	%	
Schedule 16									
First 4 Mantles (each)	Mantle	728	\$13.28	\$9,668	\$14.48	\$10,541	\$874		
5 through 9 Mantles (each)	Mantle	86	\$12.28	\$1,056	\$13.48	\$1,159	\$103		
All over (each)	Mantle	24	\$11.28	\$271	\$12.48	\$300	\$29		
Total		838		\$10,995		\$12,000	\$1,006		9.1%
Calculated Total Therms		15,922							
Gas Revenue (Schedule 101) (1)		15,922	\$0.84105	\$13,391	\$0.84105	\$13,391	\$0		0.0%
Total Revenues				\$24,386		\$25,391	\$1,006		4.1%

Residential Summary

	Current	Proposed	Change
Total Residential Gas (Schedule 101) Revenues	\$448,168,679	\$448,168,679	\$0
Total Residential Margin Revenues	\$226,714,023	\$260,393,150	\$33,679,126
Total Residential Revenues	\$674,882,703	\$708,561,829	\$33,679,126

(1) Schedule 01 rates at proposed revenue adjustment factor (RAF).

Puget Sound Energy
2007 Gas General Rate Case
Test Year Ended September 2007
Current and Proposed Rates by Rate Schedule - Proposed Settlement

Description	Units	Billing Determinants		Present		Proposed		Difference
		Determinants	Rates	Revenues	Rates	Revenues	\$	
Schedule 31 - Sales								
Basic Charge	Bills	647,867	\$17.50	\$11,337,673	\$30.00	\$19,436,010		\$8,098,338
Delivery Charge	Therms	203,951,509	\$0.26461	\$53,967,609	\$0.29375	\$59,910,756		\$5,943,147
Calculated Total				\$65,305,281		\$79,346,766		\$14,041,484 21.5%
Gas Revenue (Schedule 101) (1)	Therms	203,951,509	\$0.83621	\$170,546,291	\$0.83621	\$170,546,291		\$0 0.0%
Total Revenues				\$235,851,573		\$249,893,057		\$14,041,484 6.0%
Schedule 31 - Transportation								
Basic Charge	Bills			\$0	\$330.00	\$0		\$0
Delivery Charge	Therms			\$0	\$0.29375	\$0		\$0
Balancing Service Charge				\$0	\$0.00000	\$0		\$0
Procurement Charge				\$0	(\$0.00500)	\$0		\$0
Calculated Total				\$0		\$0		\$0
Gas Balancing Service Charge	Therms			\$0	\$0.00070	\$0		\$0
Total Revenues				\$0		\$0		\$0
Schedule 31 - Total								
Basic Charge	Bills	647,867		\$11,337,673		\$19,436,010		\$8,098,338
Delivery Charge	Therms	203,951,509		\$53,967,609		\$59,910,756		\$5,943,147
Calculated Total				\$65,305,281		\$79,346,766		\$14,041,484 21.5%
Gas Revenue (Schedule 101) (1)	Therms	203,951,509		\$170,546,291		\$170,546,291		\$0 0.0%
Total Revenues				\$235,851,573		\$249,893,057		\$14,041,484 6.0%
Schedule 61								
Demand		815,020	\$0.10	\$81,502	\$0.10000	\$81,502		\$0 0.0%
Calculated Total				\$81,502		\$81,502		\$0 0.0%

Puget Sound Energy
2007 Gas General Rate Case
Test Year Ended September 2007
Current and Proposed Rates by Rate Schedule - Proposed Settlement

Description	Units	Billing Determinants		Present		Proposed		Difference	
		Determinants	Rates	Revenues	Rates	Revenues	\$	%	
Schedule 41 - Sales									
Basic Charge	Bills	16,266	\$80.00	\$1,301,280	\$105.00	\$1,707,930	\$406,650		
Minimum Bill	Bills	16,266	\$79.84	\$1,298,677	\$111.67	\$1,816,424	\$517,747		
Demand Charge	Demand	3,229,927	\$0.70	\$2,260,949	\$1.10	\$3,552,920	\$1,291,971		
Delivery Charge:									
First 500 therms	Therms	7,849,854	\$0.15968		\$0.12408	in minimum bills			
Next 4,500 therms	Therms	31,579,523	\$0.15968	\$5,042,618	\$0.12408	\$3,918,387	(\$1,124,231)		
All over 5,000 therms	Therms	28,571,396	\$0.13030	\$3,722,853	\$0.10125	\$2,892,854	(\$829,999)		
Calculated Total		68,000,773		\$13,626,377		\$13,888,515	\$262,138	1.9%	
Gas Revenue (Schedule 101) (1)									
Volumetric Charge	Therms	68,000,773	\$0.76291	\$51,878,470	\$0.76291	\$51,878,470	\$0		
Demand Charge	Demand	3,229,927	\$1.05	\$3,391,423	\$1.05	\$3,391,423	\$0		
Calculated Total				\$55,269,893		\$55,269,893	\$0	0.0%	
Total Revenues				\$68,896,271		\$69,158,408	\$262,138	0.4%	
Schedule 41 - Transportation (2)									
Basic Charge	Bills	24	\$800.00	\$19,200	\$405.00	\$9,720	(\$9,480)		
Minimum Bill	Bills	24	\$79.94	\$1,919	\$111.67	\$2,680	\$762		
Demand Charge	Demand	42,800	\$0.70	\$29,960	\$1.10	\$47,080	\$17,120		
Delivery Charge:									
First 500 therms	Therms	12,000	\$0.15968		\$0.12408	in minimum bills			
Next 4,500 therms	Therms	104,215	\$0.15968	\$16,641	\$0.12408	\$12,931	(\$3,710)		
All over 5,000 therms	Therms	284,681	\$0.13030	\$37,094	\$0.10125	\$28,824	(\$8,270)		
Total Volume		400,896		\$281	\$	\$0	(\$281)		
Balancing Service Charge	Therms	400,896	\$ (0.00500)	(\$2,004)	\$ (0.00500)	(\$2,004)	\$0		
Procurement Charge	Therms	400,896	\$ (0.00500)	\$103,090		\$99,231	(\$3,859)	-3.7%	
Calculated Total				\$103,090		\$99,231	(\$3,859)	-3.7%	
Gas Balancing Service Charge	Therms	400,896	\$0.00070	\$281	\$0.00070	\$281	\$0		
Total Revenues				\$103,370		\$99,511	(\$3,859)	-3.7%	

Puget Sound Energy
2007 Gas General Rate Case
Test Year Ended September 2007
Current and Proposed Rates by Rate Schedule - Proposed Settlement

Description	Units	Billing Determinants		Present		Proposed		Difference	
		Determinants	Rates	Revenues	Rates	Revenues	\$	%	
Schedule 41 - Total									
Basic Charge	Bills			\$1,320,480		\$1,717,650			
Minimum Bill	Bills			\$1,300,596		\$1,819,104			
Demand Charge	Demand			\$2,290,909		\$3,600,000			
Delivery Charge:									
First 500 therms	Therms			\$5,059,259		in minimum bills			
Next 4,500 therms	Therms			\$3,759,947		\$3,931,318			
All over 5,000 therms	Therms					\$2,921,678			
Total Volume						\$0			
Balancing Service Charge				\$281					
Procurement Charge				(\$2,004)		(\$2,004)			
Calculated Total	Therms			\$13,729,467		\$13,987,746		\$258,278	1.9%
Gas Revenue (Schedule 101) (1)									
Volumetric Charge				\$51,878,470		\$51,878,470			
Demand Charge				\$3,391,423		\$3,391,423			
Gas Balancing Service Charge				\$281		\$281			
Calculated Total				\$55,270,174		\$55,270,174		\$0	0.0%
Total Revenues:				\$68,999,641		\$69,257,919		\$258,278	0.4%

Schedule 50									
Basic Charge	Bills	36	\$150.00	\$5,400		\$150.00		\$5,400	
Delivery Charge	Therms	120,864	\$0.19470	\$23,532		\$0.19470		\$23,532	
Calculated Total				\$28,932		\$28,932		\$0	0.0%
Gas Revenue (Schedule 101) (1)	Therms	120,864	\$0.79764	\$96,406		\$0.79764		\$96,406	
Total Revenues				\$125,338		\$125,338		\$0	0.0%

Puget Sound Energy
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Current and Proposed Rates by Rate Schedule - Proposed Settlement

Description	Billing		Present		Proposed		Difference	
	Units	Determinants	Rates	Revenues	Rates	Revenues	\$	%
Commercial & Industrial Summary								
Total Gas (Schedule 101) Revenues								
Schedules 31,61				\$170,546,291		\$170,546,291	\$0	
Schedule 41				\$55,270,174		\$55,270,174	\$0	
Schedule 50				\$96,406		\$96,406	\$0	
Total				\$225,912,871		\$225,912,871	\$0	
Total Margin Revenues								
Schedules 31,61				\$65,386,783		\$79,428,268	\$14,041,484	
Schedule 41				\$13,729,467		\$13,987,746	\$258,278	
Schedule 50				\$28,932		\$28,932	\$0	
Total				\$79,145,183		\$93,444,946	\$14,299,763	
Total Revenue								
Schedules 31,61				\$235,933,075		\$249,974,559	\$14,041,484	
Schedule 41				\$68,999,641		\$69,257,919	\$258,278	
Schedule 50				\$125,338		\$125,338	\$0	
Total				\$305,058,054		\$319,357,817	\$14,299,763	

(1) Schedule 01 rates at proposed revenue adjustment factor (RAF).

(2) Pro forma revenue at existing rates is based on assumed transportation rates before a rate change in the present case.

Puget Sound Energy
2007 Gas General Rate Case
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Current and Proposed Rates by Rate Schedule - Proposed Settlement

Description	Units	Billing Determinants		Present		Proposed		Difference	
		Units	Determinants	Rates	Revenues	Rates	Revenues	\$	%
Schedule 85 - Sales									
Basic Charge	Bills	383		\$500.00	\$191,500	\$537.72	\$205,947	\$14,447	
Demand Charge	Demand	107,250		\$1.02	\$109,395	\$1.10	\$117,375	\$8,580	
Procurement Charge	Therms	15,510,556		\$0.00650	\$100,819	\$0.00650	\$100,819	\$0	
Minimum Bills					\$223,739		\$223,739	\$0	
Delivery Charge:									
First 25,000 Therms	Therms	7,790,369		\$0.10000	\$779,037	\$0.10087	\$785,848	\$6,811	
Next 25,000 Therms	Therms	3,582,794		\$0.05127	\$183,890	\$0.05172	\$185,296	\$1,606	
All over 50,000 Therms	Therms	4,137,393		\$0.04921	\$203,601	\$0.04964	\$205,381	\$1,780	
Calculated Total		15,510,556			\$1,791,780		\$1,825,004	\$33,224	1.9%
Gas Revenue (Schedule 101) (1)									
Volumetric Charge	Therms	15,510,556		\$0.79084	\$12,266,368	\$0.79084	\$12,266,368	\$0	
Demand Charge	Demand	107,250		\$1.05	\$112,613	\$1.05	\$112,613	\$0	
Calculated Total					\$12,378,981		\$12,378,981	\$0	0.0%
Total Revenues					\$14,170,761		\$14,203,985	\$33,224	0.2%

Description	Units	Billing Determinants		Present		Proposed		Difference	
		Units	Determinants	Rates	Revenues	Rates	Revenues	\$	%
Schedule 85 - Transportation									
Basic Charge	Bills	888		\$800.00	\$710,400	\$860.34	\$763,982	\$53,582	
Demand Charge	Demand	502,824		\$1.02	\$512,880	\$1.10	\$553,106	\$40,226	
Minimum Bills					\$97,135		\$97,135	\$0	
Delivery Charge:									
First 25,000 Therms	Therms	20,658,537		\$0.10000	\$2,065,854	\$0.10087	\$2,083,915	\$18,062	
Next 25,000 Therms	Therms	13,440,419		\$0.05127	\$689,090	\$0.05172	\$695,115	\$6,025	
Next 50,000 Therms	Therms	13,345,533		\$0.04921	\$656,734	\$0.04964	\$662,476	\$5,742	
Subtotal		47,444,489			\$4,732,093		\$4,732,093	\$0	
Balancing Service Charge		47,444,489		\$0.00070	\$33,211	\$0.00000	\$0	(\$33,211)	1.9%
Calculated Total					\$4,765,304		\$4,855,729	\$90,425	1.9%
Gas Balancing Service Charge	Therms	47,444,489		\$0.00070	\$33,211	\$0.00070	\$33,211	\$0	
Total Revenues					\$4,798,515		\$4,888,940	\$90,425	1.9%

**Puget Sound Energy
2007 Gas General Rate Case
Test Year Ended September 2007
Current and Proposed Rates by Rate Schedule - Proposed Settlement**

Description	Units	Billing Determinants		Present		Proposed		Difference
		Rates	Determinants	Revenues	Rates	Revenues	\$	
Schedule 85 - Total								
Basic Charge	Bills			\$901,900		\$969,929	\$68,029	
Demand Charge	Demand			\$622,275		\$671,081	\$48,806	
Procurement Charge	Therms			\$100,819		\$100,819	(\$0)	
Minimum Bills				\$320,874		\$320,874	\$0	
Delivery Charge:								
First 25,000 Therms	Therms			\$2,844,891		\$2,869,763	\$24,873	
Next 25,000 Therms	Therms			\$872,780		\$880,411	\$7,631	
All over 50,000 Therms	Therms			\$860,335		\$867,897	\$7,522	
Subtotal				\$6,523,874		\$6,680,734	\$156,860	
Balancing Service Charge				\$33,211		\$0	(\$33,211)	
Calculated Total				\$6,557,085		\$6,680,734	\$123,649	1.9%
Gas Revenue (Schedule 101) (1)								
Volumetric Charge				\$12,266,368		\$12,266,368	\$0	
Demand Charge				\$112,613		\$112,613	\$0	
Gas Balancing Service Charge	Therms			\$33,211		\$33,211	\$0	
Calculated Total				\$12,412,192		\$12,412,192	\$0	0.0%
Total Revenues				\$18,969,277		\$19,092,925	\$123,649	0.7%
Schedule 86 - Sales								
Basic Charge	Bills	4,788		\$100.00		\$478,600	\$179,475	
Demand Charge	Demand	143,887		\$1.02		\$146,765	\$11,511	
Procurement Charge	Therms	16,961,705		\$0.00650		\$110,251	\$0	
Minimum Bills						\$32,316	\$0	
Delivery Charge:								
First 1,000 therms	Therms	3,723,437		\$0.21000		\$781,922	(\$53,841)	
All over 1,000 therms	Therms	13,238,268		\$0.15055		\$1,993,021	(\$137,148)	
Calculated Total	Therms	16,961,705				\$3,542,875	(\$3)	0.0%
Gas Revenue (Schedule 101) (1)								
Volumetric Charge	Therms	16,961,705		\$0.79458		\$13,477,432	\$0	
Demand Charge	Demand	143,887		\$1.05		\$151,081	\$0	
Calculated Total						\$13,628,513	\$0	0.0%
Total Revenues						\$17,171,388	(\$3)	0.0%

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Test Year Ended September 2007
Current and Proposed Rates by Rate Schedule - Proposed Settlement**

Description	Units	Billing Determinants		Present		Proposed		Difference
		Units	Determinants	Rates	Revenues	Rates	Revenues	
Schedule 87 - Sales								
Basic Charge	Bills	189		\$500.00	\$94,500	\$537.72	\$101,529	\$7,129
Demand Charge	Demand	55,328		\$1.02	\$56,435	\$1.10	\$60,861	\$4,426
Procurement Charge		35,690,498		\$0.00500	\$178,452	\$0.00500	\$178,452	\$0
Minimum Bills					\$0		\$0	\$0
Delivery Charge:								
First 25,000 Therms	Therms	4,486,528		\$0.12483	\$560,053	\$0.13636	\$611,783	\$51,730
Next 25,000 Therms	Therms	4,263,462		\$0.07621	\$324,918	\$0.08325	\$354,933	\$30,015
Next 50,000 Therms	Therms	6,391,228		\$0.04921	\$314,512	\$0.05376	\$343,592	\$29,080
Next 100,000 therms	Therms	6,195,595		\$0.03226	\$199,870	\$0.03524	\$218,333	\$18,463
Next 300,000 therms	Therms	5,226,373		\$0.02376	\$124,179	\$0.02595	\$135,624	\$11,446
All over 500,000 therms	Therms	9,127,312		\$0.01876	\$171,228	\$0.02049	\$187,019	\$15,790
Total Volume	Therms	35,690,498			\$2,024,148		\$2,192,227	\$168,079
Gas Revenue (Schedule 101) (1)								
Volumetric Charge	Therms	35,690,498		\$0.78935	\$28,172,295	\$0.78935	\$28,172,295	\$0
Demand Charge	Demand	55,328		\$1.05	\$58,094	\$1.05	\$58,094	\$0
Calculated Total					\$28,230,389		\$28,230,389	\$0
Total Revenues					\$30,254,537		\$30,422,616	\$168,079
8.3%								

Schedule 87 - Transportation								
Basic Charge	Bills	132		\$800.00	\$105,600	\$860.34	\$113,565	\$7,965
Demand Charge	Demand	660,168		\$1.02	\$673,371	\$1.10	\$726,185	\$52,813
Minimum Bills								
Delivery Charge:								
First 25,000 Therms	Therms	3,300,000		\$0.12483	\$411,939	\$0.13636	\$449,988	\$38,049
Next 25,000 Therms	Therms	3,300,000		\$0.07621	\$251,493	\$0.08325	\$274,725	\$23,232
Next 50,000 Therms	Therms	6,600,000		\$0.04921	\$324,786	\$0.05376	\$354,816	\$30,030
Next 100,000 therms	Therms	12,684,877		\$0.03226	\$409,214	\$0.03524	\$447,015	\$37,801
Next 300,000 therms	Therms	26,982,932		\$0.02376	\$641,114	\$0.02595	\$700,207	\$59,093
All over 500,000 therms	Therms	47,538,681		\$0.01876	\$891,826	\$0.02049	\$974,068	\$82,242
Total Volume	Therms	100,406,490			\$70,285		\$0	(\$70,285)
Balancing Service Charge	Therms	100,406,490		\$0.00070	\$3,779,628	\$0.00000	\$4,040,568	\$260,940
Calculated Total					\$70,285		\$70,285	\$0
Gas Balancing Service Charge	Therms	100,406,490		\$0.00070	\$3,849,913	\$0.00070	\$4,110,853	\$260,940
Total Revenues					\$3,849,913		\$4,110,853	\$260,940
6.8%								

**Puget Sound Energy
2007 Gas General Rate Case
Test Year Ended September 2007
Current and Proposed Rates by Rate Schedule - Proposed Settlement**

Description	Units	Billing Determinants		Present		Proposed		Difference	
		266	389,595	Rates	Revenues	Rates	Revenues	\$	%
Schedule 67 - Total									
Basic Charge	Bills				\$200,100		\$215,194	\$15,094	
Demand Charge	Demand				\$729,806		\$787,046	\$57,240	
Procurement Charge					\$178,452		\$178,452	\$0	
Minimum Bills					\$0		\$0	\$0	
Delivery Charge:									
First 25,000 Therms	Therms				\$971,992		\$1,061,771	\$89,779	
Next 25,000 Therms	Therms				\$576,411		\$629,658	\$53,247	
Next 50,000 Therms	Therms				\$639,298		\$698,408	\$59,110	
Next 100,000 Therms	Therms				\$609,084		\$665,348	\$56,264	
Next 300,000 Therms	Therms				\$765,293		\$835,831	\$70,538	
All over 500,000 Therms	Therms				\$1,063,054		\$1,161,086	\$98,032	
Total Volume					\$70,285		\$0	(\$70,285)	7.4%
Balancing Service Charge	Therms				\$5,803,776		\$6,232,795	\$429,019	
Calculated Total									
Gas Revenue (Schedule 101) (1)					\$28,172,295		\$28,172,295	\$0	
Volumetric Charge					\$58,094		\$58,094	\$0	
Demand Charge					\$70,285		\$70,285	\$0	
Gas Balancing Service Charge	Therms				\$28,300,674		\$28,300,674	\$0	0.0%
Calculated Total									
Total Revenues					\$34,104,450		\$34,533,469	\$429,019	1.3%
Schedule 57									
Basic Charge	Bills	266		\$800.00	\$212,800		\$228,850	\$16,050	
Demand Charge	Demand	389,595		\$1.10	\$397,387		\$428,555	\$31,168	
Delivery Charge:									
First 25,000 Therms	Therms	6,024,602		\$0.12483	\$752,051		\$821,515	\$69,464	
Next 25,000 Therms	Therms	4,405,679		\$0.07621	\$335,757		\$366,773	\$31,016	
Next 50,000 Therms	Therms	5,838,273		\$0.04921	\$287,301		\$313,866	\$26,564	
Next 100,000 Therms	Therms	5,632,839		\$0.03226	\$181,715		\$198,501	\$16,786	
Next 300,000 Therms	Therms	3,836,382		\$0.02376	\$91,152		\$99,554	\$8,402	
All over 500,000 Therms	Therms	2,228,932		\$0.01876	\$41,815		\$45,671	\$3,856	
Total Volume	Therms	27,966,707			\$19,577		\$0	(\$19,577)	7.9%
Balancing Service Charge	Therms	27,966,707		\$0.00070	\$2,319,655		\$2,503,284	\$183,729	
Calculated Total									
Gas Balancing Service Charge	Therms	27,966,707		\$0.00070	\$19,577		\$19,577	\$0	
Total Revenues					\$2,339,132		\$2,522,861	\$183,729	7.9%

(1) Schedule 01 rates at proposed revenue adjustment factor (RAF).
(2) Pro forma revenue at existing rates is based on assumed transportation rates before a rate change in the present case.

**Puget Sound Energy
2007 Gas General Rate Case
Test Year Ended September 2007
Current and Proposed Rates by Rate Schedule - Proposed Settlement
Rental Schedules 71, 72 and 74**

Line	Schedule	Rate Schedule	Description	Annual Charges		Revenue Under Existing Rates		Revenue Under Proposed Rates		Proposed Increase
				D	E	F	G	H	I	
1	71	71G-A	Standard Models	25,560	\$ 6.37	\$ 162,817	\$ 7.32	\$ 187,099	\$ 24,282	
2	71	71G-B	Conservation Models	336,020	\$ 10.23	3,437,485	11.76	3,951,595	514,111	
3	71	71G-C	Direct Vent Models	61,305	\$ 14.35	879,727	16.50	1,011,533	131,806	
4	71	71G-D	High Recovery Models	17,584	\$ 14.05	247,055	16.16	284,157	37,102	
5	71	71G-E	High Efficiency Standard (Energy Factor ≥ 60)	59,691	\$ 5.12	305,618	5.89	351,580	45,962	
6	71	71G-F	High Efficiency Direct Vent (Energy Factor ≥ 60)	3,592	\$ 8.98	32,256	10.33	37,105	4,849	
7	72	72G-F	25 - 40 gallon storage 30,000 to 50,000	3,057	\$ 12.50	38,213	14.37	43,929	5,717	
8	72	72G-G	45 - 55 gallon storage 70,000 to 79,000	2,633	\$ 16.35	43,050	18.80	49,500	6,451	
9	72	72G-H	45 - 55 gallon storage 51,000 to 75,000	4,005	\$ 16.35	65,482	18.80	75,294	9,812	
10	72	72G-I	50 - 65 gallon storage 60,000 to 69,000	341	\$ 25.60	8,730	29.44	10,039	1,309	
11	72	72G-J	60 - 84 gallon storage 70,000 to 129,000	11,243	\$ 33.40	375,516	38.41	431,844	56,327	
12	72	72G-K	75 - 90 gallon storage 130,000 to 169,000	7,078	\$ 44.60	315,679	51.29	363,031	47,352	
13	72	72G-L	75 - 100 gallon storage 170,000 to 200,000	18,184	\$ 51.80	941,931	59.56	1,083,039	141,108	
14	74	74G-A	45,000 to 400,000 Standard Models	27,045	\$ 8.65	233,939	9.95	269,098	35,159	
15	74	74G-B	401,000 to 700,000 Standard Models	1,409	\$ 22.95	32,337	26.39	37,184	4,847	
16	74	74G-C	701,000 to 1,300,000 Standard Models	980	\$ 31.01	30,390	35.66	34,947	4,557	
17	74	74G-D	45,000 to 400,000 Conservation Models	49,045	\$ 13.02	638,566	14.97	734,204	95,638	
18			Total	628,772		7,788,789		8,955,177	1,166,388	