

**EXHIBIT NO. JAP-8  
DOCKET NOS. UE-090704/UG-090705  
2009 PSE GENERAL RATE CASE  
WITNESS: JON A. PILIARIS**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY, INC.,**

**Respondent.**

**Docket No. UE-090704  
Docket No. UG-090705**

**THIRD EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED REBUTTAL TESTIMONY OF  
JON A. PILIARIS  
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**DECEMBER 17, 2009**

Puget Sound Energy  
Derivation of "Modified" Conservation Phase-In Adjustment - Electric  
For the 27 Months Ended March 31, 2010  
(All Values in kWh)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
				Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08
1															
2															
3		<b><u>First-Year Annual Savings During Month</u></b>													
4		Residential	Input	(8,888,925)	(12,959,414)	(22,340,799)	(7,701,903)	(8,571,125)	(22,214,557)	(11,482,268)	(14,481,465)	(13,930,970)	(17,424,885)	(17,315,013)	(6,562,527)
5		Commercial	Input	(2,845,559)	(6,991,864)	(4,341,661)	(5,134,113)	(6,312,929)	(7,027,905)	(8,098,475)	(7,892,555)	(9,768,150)	(7,917,643)	(9,625,745)	(22,691,357)
6		Industrial	Input	(316,173)	(776,874)	(482,407)	(570,457)	(701,437)	(780,878)	(899,831)	(876,951)	(1,085,350)	(879,738)	(1,069,527)	(2,521,262)
7		Total	(4)+(5)+(6)	(12,050,657)	(20,728,152)	(27,164,867)	(13,406,473)	(15,585,491)	(30,023,340)	(20,480,574)	(23,250,971)	(24,784,470)	(26,222,266)	(28,010,285)	(31,775,145)
8															
9		<b><u>MTD Incremental Conservation Savings</u></b>													
10		Residential	(4) / 12	(740,744)	(1,079,951)	(1,861,733)	(641,825)	(714,260)	(1,851,213)	(956,856)	(1,206,789)	(1,160,914)	(1,452,074)	(1,442,918)	(546,877)
11		Commercial	(5) / 12	(237,130)	(582,655)	(361,805)	(427,843)	(526,077)	(585,659)	(674,873)	(657,713)	(814,013)	(659,804)	(802,145)	(1,890,946)
12		Industrial	(6) / 12	(26,348)	(64,739)	(40,201)	(47,538)	(58,453)	(65,073)	(74,986)	(73,079)	(90,446)	(73,312)	(89,127)	(210,105)
13		Total	(10)+(11)+(12)	(1,004,221)	(1,727,346)	(2,263,739)	(1,117,206)	(1,298,791)	(2,501,945)	(1,706,715)	(1,937,581)	(2,065,373)	(2,185,189)	(2,334,190)	(2,647,929)
14															
15		<b><u>Cumulative MTD Conservation Savings</u></b>													
16		Residential	(10) Accumulated	(740,744)	(1,820,695)	(3,682,428)	(4,324,253)	(5,038,514)	(6,889,727)	(7,846,583)	(9,053,371)	(10,214,286)	(11,666,359)	(13,109,277)	(13,656,154)
17		Commercial	(11) Accumulated	(237,130)	(819,785)	(1,181,590)	(1,609,433)	(2,135,511)	(2,721,169)	(3,396,042)	(4,053,755)	(4,867,768)	(5,527,571)	(6,329,717)	(8,220,663)
18		Industrial	(12) Accumulated	(26,348)	(91,087)	(131,288)	(178,826)	(237,279)	(302,352)	(377,338)	(450,417)	(540,863)	(614,175)	(703,302)	(913,407)
19		Total	(16)+(17)+(18)	(1,004,221)	(2,731,567)	(4,995,306)	(6,112,512)	(7,411,303)	(9,913,248)	(11,619,963)	(13,557,544)	(15,622,916)	(17,808,105)	(20,142,296)	(22,790,224)
20															
21		<b><u>Modified Phase-In Adjustment</u></b>													
22		Residential	(16) Accumulated	(31,695,244)	(30,615,293)	(28,753,559)	(28,111,734)	(27,397,474)	(25,546,261)	(24,589,405)	(23,382,616)	(22,221,702)	(20,769,628)	(19,326,711)	(18,779,833)
23		Commercial	(17) Accumulated	(19,789,283)	(19,206,628)	(18,844,823)	(18,416,980)	(17,890,903)	(17,305,244)	(16,630,371)	(15,972,658)	(15,158,645)	(14,498,842)	(13,696,696)	(11,805,750)
24		Industrial	(18) Accumulated	(2,248,809)	(2,184,070)	(2,143,869)	(2,096,331)	(2,037,878)	(1,972,805)	(1,897,819)	(1,824,740)	(1,734,294)	(1,660,982)	(1,571,855)	(1,361,750)
25		Total Adjustment	(22)+(23)+(24)	(53,733,336)	(52,005,990)	(49,742,251)	(48,625,045)	(47,326,254)	(44,824,309)	(43,117,595)	(41,180,014)	(39,114,641)	(36,929,453)	(34,595,262)	(31,947,333)
26															

Puget Sound Energy  
Derivation of "Modified" Conservation Phase-In Adjustment - Electric  
For the 27 Months Ended March 31, 2010  
(All Values in kWh)

	A	B	C	P	Q	R	S	T	U	V	W	X	Y	Z	AA
				Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
1															
2															
3		<b><u>First-Year Annual Savings During Month</u></b>													
4		Residential	Input	(22,552,840)	(17,826,947)	(14,130,186)	(12,984,827)	(12,660,635)	(12,222,439)	(8,188,264)	(11,458,847)	(15,711,051)	(19,963,255)	(21,664,136)	(22,514,577)
5		Commercial	Input	(14,426,815)	(6,217,653)	(5,596,417)	(10,345,368)	(4,437,134)	(7,462,864)	(11,125,145)	(9,715,521)	(9,715,521)	(9,715,521)	(9,715,521)	(9,715,521)
6		Industrial	Input	(1,602,979)	(690,850)	(621,824)	(1,149,485)	(493,015)	(829,207)	(1,236,127)	(1,079,502)	(1,079,502)	(1,079,502)	(1,079,502)	(1,079,502)
7		Total	(4)+(5)+(6)	(38,582,634)	(24,735,450)	(20,348,427)	(24,479,680)	(17,590,783)	(20,514,510)	(20,549,536)	(22,253,870)	(26,506,074)	(30,758,278)	(32,459,159)	(33,309,600)
8															
9		<b><u>MTD Incremental Conservation Savings</u></b>													
10		Residential	(4) / 12	(1,879,403)	(1,485,579)	(1,177,515)	(1,082,069)	(1,055,053)	(1,018,537)	(682,355)	(954,904)	(1,309,254)	(1,663,605)	(1,805,345)	(1,876,215)
11		Commercial	(5) / 12	(1,202,235)	(518,138)	(466,368)	(862,114)	(369,761)	(621,905)	(927,095)	(809,627)	(809,627)	(809,627)	(809,627)	(809,627)
12		Industrial	(6) / 12	(133,582)	(57,571)	(51,819)	(95,790)	(41,085)	(69,101)	(103,011)	(89,959)	(89,959)	(89,959)	(89,959)	(89,959)
13		Total	(10)+(11)+(12)	(3,215,220)	(2,061,288)	(1,695,702)	(2,039,973)	(1,465,899)	(1,709,543)	(1,712,461)	(1,854,489)	(2,208,839)	(2,563,190)	(2,704,930)	(2,775,800)
14															
15		<b><u>Cumulative MTD Conservation Savings</u></b>													
16		Residential	(10) Accumulated	(15,535,557)	(17,021,136)	(18,198,652)	(19,280,721)	(20,335,774)	(21,354,310)	(22,036,665)	(22,991,569)	(24,300,824)	(25,964,428)	(27,769,773)	(29,645,987)
17		Commercial	(11) Accumulated	(9,422,898)	(9,941,035)	(10,407,404)	(11,269,518)	(11,639,279)	(12,261,184)	(13,188,279)	(13,997,906)	(14,807,533)	(15,617,160)	(16,426,786)	(17,236,413)
18		Industrial	(12) Accumulated	(1,046,989)	(1,104,559)	(1,156,378)	(1,252,169)	(1,293,253)	(1,362,354)	(1,465,364)	(1,555,323)	(1,645,281)	(1,735,240)	(1,825,198)	(1,915,157)
19		Total	(16)+(17)+(18)	(26,005,444)	(28,066,731)	(29,762,434)	(31,802,407)	(33,268,305)	(34,977,848)	(36,690,309)	(38,544,798)	(40,753,638)	(43,316,828)	(46,021,758)	(48,797,558)
20															
21		<b><u>Modified Phase-In Adjustment</u></b>													
22		Residential	(16) Accumulated	(16,900,430)	(15,414,851)	(14,237,336)	(13,155,267)	(12,100,214)	(11,081,677)	(10,399,322)	(9,444,418)	(8,135,164)	(6,471,559)	(4,666,215)	(2,790,000)
23		Commercial	(17) Accumulated	(10,603,515)	(10,085,378)	(9,619,010)	(8,756,896)	(8,387,134)	(7,765,229)	(6,838,134)	(6,028,507)	(5,218,880)	(4,409,253)	(3,599,627)	(2,790,000)
24		Industrial	(18) Accumulated	(1,228,168)	(1,170,598)	(1,118,779)	(1,022,988)	(981,904)	(912,803)	(809,793)	(719,834)	(629,876)	(539,917)	(449,959)	(360,000)
25		Total Adjustment	(22)+(23)+(24)	(28,732,114)	(26,670,826)	(24,975,124)	(22,935,151)	(21,469,252)	(19,759,710)	(18,047,248)	(16,192,759)	(13,983,920)	(11,420,730)	(8,715,800)	(5,940,000)
26															

Puget Sound Energy  
Derivation of "Modified" Conservation Phase-In Adjustment - Electric  
For the 27 Months Ended March 31, 2010  
(All Values in kWh)

	A	B	C	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM
				Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
1															
2															
3		<b><u>First-Year Annual Savings During Month</u></b>													
4		Residential	Input	(11,532,000)	(10,416,000)	(11,532,000)									
5		Commercial	Input	(11,532,000)	(10,416,000)	(11,532,000)									
6		Industrial	Input	(1,488,000)	(1,344,000)	(1,488,000)									
7		Total	(4)+(5)+(6)	(24,552,000)	(22,176,000)	(24,552,000)									
8															
9		<b><u>MTD Incremental Conservation Savings</u></b>													
10		Residential	(4) / 12	(961,000)	(868,000)	(961,000)									
11		Commercial	(5) / 12	(961,000)	(868,000)	(961,000)									
12		Industrial	(6) / 12	(124,000)	(112,000)	(124,000)									
13		Total	(10)+(11)+(12)	(2,046,000)	(1,848,000)	(2,046,000)									
14															
15		<b><u>Cumulative MTD Conservation Savings</u></b>													
16		Residential	(10) Accumulated	(30,606,987)	(31,474,987)	(32,435,987)									
17		Commercial	(11) Accumulated	(18,197,413)	(19,065,413)	(20,026,413)									
18		Industrial	(12) Accumulated	(2,039,157)	(2,151,157)	(2,275,157)									
19		Total	(16)+(17)+(18)	(50,843,558)	(52,691,558)	(54,737,558)									
20															
21		<b><u>Modified Phase-In Adjustment</u></b>													
22		Residential	(16) Accumulated	(1,829,000)	(961,000)	-									
23		Commercial	(17) Accumulated	(1,829,000)	(961,000)	-									
24		Industrial	(18) Accumulated	(236,000)	(124,000)	-									
25		Total Adjustment	(22)+(23)+(24)	(3,894,000)	(2,046,000)	-									
26															

Puget Sound Energy  
Derivation of "Modified" Conservation Phase-In Adjustment - Electric  
For the 27 Months Ended March 31, 2010  
(All Values in kWh)

1	A	B	C	AN	AO	AP	AQ	AR
2					2008	2009	2010	Total
3		<b><u>First-Year Annual Savings During Month</u></b>					(through March)	
4		Residential	Input		(163,873,850)	(191,878,000)	(33,480,000)	<b>(389,231,850)</b>
5		Commercial	Input		(98,647,957)	(108,189,000)	(33,480,000)	<b>(240,316,957)</b>
6		Industrial	Input		<u>(10,960,884)</u>	<u>(12,021,000)</u>	<u>(4,320,000)</u>	<b>(27,301,884)</b>
7		Total	(4)+(5)+(6)		<u>(273,482,691)</u>	<u>(312,088,000)</u>	<u>(71,280,000)</u>	<b>(656,850,691)</b>
8								
9		<b><u>MTD Incremental Conservation Savings</u></b>						
10		Residential	(4) / 12		(13,656,154)	(15,989,833)	(2,790,000)	<b>(32,435,987)</b>
11		Commercial	(5) / 12		(8,220,663)	(9,015,750)	(2,790,000)	<b>(20,026,413)</b>
12		Industrial	(6) / 12		<u>(913,407)</u>	<u>(1,001,750)</u>	<u>(360,000)</u>	<b>(2,275,157)</b>
13		Total	(10)+(11)+(12)		<u>(22,790,224)</u>	<u>(26,007,333)</u>	<u>(5,940,000)</u>	<b>(54,737,558)</b>
14								
15		<b><u>Cumulative MTD Conservation Savings</u></b>						
16		Residential	(10) Accumulated		(88,042,391)	(264,435,396)	(94,517,962)	<b>(446,995,750)</b>
17		Commercial	(11) Accumulated		(41,100,135)	(156,215,394)	(57,289,239)	<b>(254,604,768)</b>
18		Industrial	(12) Accumulated		<u>(4,566,682)</u>	<u>(17,357,266)</u>	<u>(6,465,471)</u>	<b>(28,389,419)</b>
19		Total	(16)+(17)+(18)		<u>(133,709,207)</u>	<u>(438,008,057)</u>	<u>(158,272,673)</u>	<b>(729,989,937)</b>
20								
21		<b><u>Modified Phase-In Adjustment</u></b>						
22		Residential	(16) Accumulated		(301,189,459)	(124,796,453)	(2,790,000)	<b>(428,775,912)</b>
23		Commercial	(17) Accumulated		(199,216,823)	(84,101,563)	(2,790,000)	<b>(286,108,385)</b>
24		Industrial	(18) Accumulated		<u>(22,735,203)</u>	<u>(9,944,618)</u>	<u>(360,000)</u>	<b>(33,039,821)</b>
25		<b>Total Adjustment</b>	<b>(22)+(23)+(24)</b>		<b><u>(523,141,484)</u></b>	<b><u>(218,842,634)</u></b>	<b><u>(5,940,000)</u></b>	<b>(747,924,118)</b>
26								