

EXHIBIT NO. \_\_\_\_ (JHS-3C)  
DOCKET NO. UE-09\_\_\_\_\_  
PCA 7 COMPLIANCE  
WITNESS: JOHN H. STORY

BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

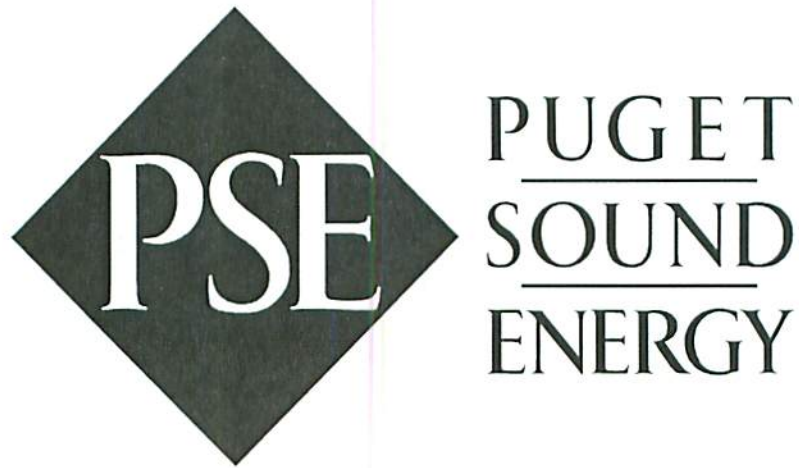
In the Matter of the Petition of  
PUGET SOUND ENERGY, INC.  
For Approval of its 2008 Power Cost Adjustment  
Mechanism Report

Docket No. UE-09\_\_\_\_\_

SECOND EXHIBIT TO THE PREFILED DIRECT TESTIMONY OF  
JOHN H. STORY (NONCONFIDENTIAL)  
ON BEHALF OF PUGET SOUND ENERGY, INC.

REDACTED VERSION

March 31, 2009



# Power Cost Adjustment Mechanism Annual Report

PCA Period Seven

**Twelve Months Ended December 31, 2008**

## Index

### **3. Exhibits in Support of Updated Power Cost Rate: 1/1/08 – 12/31/08**

4. Power Cost Summary
5. Exhibit A-1 – Power Cost Rate - Updated Actual (1/1/08 - 12/31/08)
6. Exhibit B – PCA Mechanism Calculation (1/1/08 - 12/31/08)
7. Exhibit D – Regulatory Assets and Liabilities (1/1/08 – 12/31/08)
8. Exhibit G – New Resource Adjustment – Klondike (1/1/08 – 12/31/08)
9. Exhibit G – New Resource Adjustment – Sumas (1/1/08 – 12/31/08)

### **10. PCA Period Seven - A: 1/01/08 – 10/31/08 (rates set in UE-070565 – 2007 PCORC)**

11. Exhibit A-1 – Power Cost Rate
12. Exhibit A-2 – Transmission Rate Base
13. Exhibit A-3 – Colstrip Fixed Costs-Section 1
14. Exhibit A-3 – Colstrip Fixed Costs-Section 2 (Confidential)
15. Exhibit A-4 – Production Adjustment
16. Exhibit A-5 – Power Cost
17. Exhibit D – Regulatory Assets and Liabilities

### **18. PCA Period Seven - B: 11/01/08 – 12/31/08 (rates set in UE-072300 – 2007 GRC)**

19. Exhibit A-1 – Power Cost Rate
20. Exhibit A-2 – Transmission Rate Base
21. Exhibit A-3 – Colstrip Fixed Costs-Section 1
22. Exhibit A-3 – Colstrip Fixed Costs-Section 2 (Confidential)
23. Exhibit A-4 – Production Adjustment
24. Exhibit A-5 – Power Cost
25. Exhibit D – Regulatory Assets and Liabilities

**Puget Sound Energy, Inc.**

Power Cost Adjustment Mechanism Annual  
Report

PCA Period Seven

Twelve Months Ended December 31, 2008

**Exhibits**

In Support of Updated Power Cost Rate  
From January 1 through December 31, 2008

**POWER COST ADJUSTMENT SUMMARY**

	12 mo end 6.30.03	12 mo end 6.30.04	12 mo end 6.30.05	12 mo end 6.30.06	6 mo end 12.31.06	12 mo end 12.30.07	12 mo end 12.30.08	Cumulative
	PCA Period One	PCA Period Two	PCA Period Three	PCA Period Four	PCA Period Five	PCA Period Six	PCA Period Seven	PCA Periods
<u>Power Costs</u>								
Actual	\$ 845,405,696	\$ 903,001,659	\$ 959,718,871	\$ 1,064,701,272	\$ 597,031,702	\$ 1,226,485,250	\$ 1,331,075,943	\$ 6,927,420,393
Baseline	\$ 843,126,410	\$ 872,785,985	\$ 949,412,459	\$ 1,075,227,683	\$ 597,089,567	\$ 1,253,089,187	\$ 1,329,880,671	\$ 6,920,611,962
Difference	\$ 2,279,286	\$ 30,215,674	\$ 10,306,412	\$ (10,526,410)	\$ (57,865)	\$ (26,603,938)	\$ 1,195,272	\$ 6,808,430
Wholesale Customers	\$ (10,220)	\$ (12,220)	\$ (4,225)	\$ 3,643	\$ 18	\$ 9,891	\$ (498)	\$ (13,611)
Total Cost Over Baseline	\$ 2,269,066	\$ 30,203,454	\$ 10,302,187	\$ (10,522,768)	\$ (57,848)	\$ (26,594,047)	\$ 1,194,774	\$ 6,794,819
<u>Allocation of Power Costs</u>								
Company	\$ 2,269,066	\$ 25,101,727	\$ 10,302,187	\$ (10,522,768)	\$ (57,848)	\$ (23,297,023)	\$ 1,194,774	\$ 4,990,116
Customers	\$ -	\$ 5,101,727	\$ -	\$ -	\$ -	\$ (3,297,024)	\$ -	\$ 1,804,703
Total Cost Allocated	\$ 2,269,066	\$ 30,203,454	\$ 10,302,187	\$ (10,522,768)	\$ (57,848)	\$ (26,594,047)	\$ 1,194,774	\$ 6,794,819
<u>Customer Share Including Interest</u>								
Customer Share	\$ -	\$ 5,101,727	\$ -	\$ -	\$ -	\$ (3,297,024)	\$ -	\$ 1,804,703
Interest	\$ -	\$ 61,868	\$ 345,776	\$ 736,238	\$ 111,206	\$ 54,352	\$ 12,273	\$ 1,321,713
Total Customer Share Including Interest	\$ -	\$ 5,163,595	\$ 345,776	\$ 736,238	\$ 111,206	\$ (3,242,672)	\$ 12,273	\$ 3,126,416

**Exhibit A-1 Power Cost Rate Updated: January 1, 2008 - December 31, 2008**

Row				
3	Regulatory Assets (Variable) (Note 1)	\$	208,492,804	
4	Transmission Rate Base (Fixed) (Note 2)		107,766,865	
5	Production Rate Base (Fixed) (Note 3)		1,078,801,023	
6		\$	1,395,060,693	
7				
8	Net of tax rate of return		7.06% & 7.00%	
9	Blended net of tax rate of return (7.06% for 305 days and 7.00% for 61 days)		7.0500%	
10				
11			<b>\$/MWH</b>	
12	Regulatory Asset Recovery (on Row 3)	\$	21,948,369	\$ 0.997 (c)
13	Fixed Asset Recovery Other (on Row 4) - (Line 4 X Line 9 / 65%)		11,688,560	\$ 0.531 (a)
14	Fixed Asset Recovery-Prod Factored (on Row 5) - (Line 5 X Line 9 / 65%)		117,008,419	\$ 5.313 (a)
15	501-Steam Fuel		58,909,074	\$ 2.675 (c)
16	555-Purchased power		792,293,871	\$ 35.976 (c)
16.a	Commission Disallowance for Tenaska & March Point 2		(9,645,094)	\$ (0.438) (c)
17	557-Other Power Exp		13,097,804	\$ 0.595 (a)
18	547-Fuel		151,139,354	\$ 6.863 (c)
19	565-Wheeling		68,720,457	\$ 3.120 (c)
20	Variable Transmission Income		(6,648,600)	\$ (0.302) (c)
21	Hydro and Other Pwr.		86,923,371	\$ 3.947 (a)
22	447-Sales to Others		(84,715,507)	\$ (3.847) (c)
23	456-Subaccounts 00012 & 00018 and 00035 & 00036		(15,804,884)	\$ (0.718) (c)
24.a	Transmission Exp - 500KV		1,322,370	\$ 0.060 (a)
24.b	New Resource Pricing Adjustment		(364,700)	\$ (0.017) (c)
25	Depreciation-Production (FERC 403)		68,919,874	\$ 3.130 (a)
26	Depreciation-Transmission		4,944,939	\$ 0.225 (a)
27	Amortization - Regulatory Assets		35,249,272	\$ 1.601 (c)
28	Property Taxes-Production		12,307,528	\$ 0.559 (a)
29	Property Taxes-Transmission		3,463,060	\$ 0.157 (a)
30	Hedging Line of Credit		318,409	\$ 0.014 (c)
31	Subtotal & Baseline Rate	\$	1,331,075,944	\$ <b>60.441</b> (b)
32	Revenue Sensitive Items		0.9559032	
33		\$	1,392,479,849	
34	DELIVERED Load (MWH's) <i>January - December 2008</i>		22,022,595	<-- includes Firm Wholesale
35				
36				
37	Power Cost in Rates with Revenue Sensitive Items (the adjusted baseline)			\$ 63.230
38	sum of (a) = Fixed Rate Component	\$	14.516	\$ 15.185
39	(b) = Power Cost Rate	\$	60.441	\$ 63.230
40	sum of (c) = Variable Power Rate Component	\$	45.926	\$ 48.044
41				
42				
43	(Note 1) Regulatory Assets and Liabilities are detailed on Exhibit D (JHS-3 page 7)			
44				
45	(Note 2) During the PCA period, the authorized rate of return and the transmission rate base changed. The amount shown on line 4 represents the average transmission rate base, taking all of these changes into consideration.			
46				
47				
48	(Note 3) During the PCA period, the authorized rate of return and production rate base changed. Additionally, the production rate base associated with Baker Lake Relicensing included in fixed costs from the 2007 PCORC A-1 were removed and replaced with actual amounts.			
49	The amount shown on line 5 represents the average production rate base, taking all of these changes into consideration.			
50				

PLUCET SOUND ENERGY  
PCA MECHANISM ANNUAL REPORT - PCA 7  
TWELVE MONTHS ENDED DECEMBER 31, 2008

Exhibit B: Monthly Power Costs -- PCA PERIOD 7  
Derived from Original PCA Exhibit B  
Subject to PCA Sharing  
UE-011570

Row	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Period to Date
6													
7	Return on Fixed RB	10,683,565	10,683,565	10,683,565	10,683,565	10,683,565	10,683,565	10,683,565	10,683,565	10,683,565	10,930,666	10,930,666	\$ 128,696,978
8	Other Fixed Costs	15,818,659	15,818,659	15,818,659	15,818,659	15,818,659	15,818,659	15,818,659	15,818,659	15,818,659	16,396,179	16,396,179	\$ 190,878,945
9	Subtotal Fixed Costs	26,502,223	26,502,223	26,502,223	26,502,223	26,502,223	26,502,223	26,502,223	26,502,223	26,502,223	27,326,844	27,326,844	\$ 319,575,923
10	Total Variable Component Actual												
11	501 Steam Oper. Fuel	5,206,729	4,971,072	4,977,254	5,081,547	3,935,514	5,181,206	5,520,726	5,675,403	4,782,817	4,610,100	5,695,869	\$ 58,909,074
12	547 Other Pwr Gen Fuel	9,666,470	12,193,131	9,998,996	14,008,389	3,301,921	1,825,788	9,205,001	19,460,000	17,127,868	11,327,482	22,340,777	\$ 150,650,648
13	Other Elec Revenues	(577,840)	(646,170)	(1,419,713)	(4,601,617)	(3,279,151)	(5,989,000)	(2,003,605)	543,465	(260,359)	2,293,646	578,107	\$ (15,804,884)
14	555 Purchase Power	98,396,538	75,848,552	79,394,985	68,244,060	51,975,935	54,328,111	52,107,219	51,323,415	65,728,200	69,077,268	102,717,184	\$ 823,850,575
15	14 Sales to Other Util	(9,855,410)	(5,022,701)	(3,149,335)	(10,273,293)	(3,711,925)	(11,250,704)	(10,125,983)	(9,266,144)	(4,975,924)	(4,314,008)	(5,340,126)	\$ (84,715,507)
16	565 Wheeling	5,909,030	6,009,208	5,870,729	5,731,141	5,771,943	5,443,410	5,657,267	5,931,129	6,363,972	6,232,355	6,204,890	\$ 70,719,345
17	Transmission Revenue	(603,335)	(434,352)	(573,378)	(652,830)	(669,627)	(20,006)	(283,666)	(204,686)	(550,638)	(548,772)	(394,103)	\$ (6,648,600)
18	40700015 White Rtr Amortization	124,558	124,558	124,558	124,558	124,558	124,558	124,558	124,558	124,558	124,558	124,558	\$ 1,494,696
19	40730041 Goldfields Amortization	124,558	124,558	124,558	124,558	124,558	124,558	124,558	124,558	124,558	124,558	124,558	\$ 1,494,696
20	Subtotal Variable Components	108,263,734	93,043,298	95,223,995	79,520,557	50,430,241	58,046,356	57,071,588	70,457,116	77,323,163	88,340,494	132,273,990	\$ 999,143,037
21	Regulatory Assets (Return on RB portion only)	1,858,812	1,858,812	1,751,850	1,823,158	1,823,158	1,823,410	1,823,410	1,807,273	1,821,617	2,197,142	1,535,057	\$ 21,948,369
22	Fixed and Interest Costs on Hedging Facility - 4206051, 4100071, 4100001	25,337	23,854	25,337	32,220	25,337	24,595	25,337	24,595	25,624	27,449	33,386	\$ 318,408
23	SubTOTAL before Adjustments	136,650,106	121,428,187	123,503,405	107,878,158	78,780,959	96,397,844	85,422,558	98,808,086	105,657,254	118,699,940	161,169,277	\$ 1,341,085,737
24	Adjustments:												
25	Prudence from UE-921202	(326,424)	(308,098)	(339,216)	(294,611)	(62,480)	(205,118)	(312,552)	(288,972)	(274,205)	(241,284)	(270,933)	\$ (3,236,045)
26	Contract price adjustment - discontinued Jan 13, 2007												
27	Colstrip availability adjustment												
28	New resource pricing adjustment - Sumas (Aug - Oct 08)												
29	New resource pricing adjustment - Klondike (Dec07-Oct08)												
30	Tenaska Disallowance (prior month adj)												
31	Tenaska Disallowance (current month adj)												
32	Subtotal Adjustments	(534,845)	(534,845)	(534,845)	(534,845)	(534,845)	(534,845)	(534,845)	(534,845)	(534,845)	(530,300)	(530,299)	\$ (6,409,049)
33	Total allowable costs	135,789,837	120,585,244	122,629,344	107,048,702	78,183,634	85,597,881	84,575,161	97,984,269	104,789,446	117,928,345	160,369,045	\$ 1,331,075,943
34	PCA period delivered load (kwh)	2,304,651,422	1,969,482,392	2,021,123,597	1,830,514,031	1,655,945,076	1,595,326,165	1,565,038,010	1,589,600,108	1,537,765,107	1,807,716,555	1,874,680,381	2,350,751,967
35	Baseline Power Cost	137,848,116	117,800,650	120,889,466	109,488,536	99,047,043	93,628,654	93,609,618	95,078,751	91,978,344	108,124,950	147,723,604	1,067,492,328
36	Imbalance for Sharing	(2,059,278)	(2,784,594)	(2,739,879)	(2,439,833)	(2,066,408)	(1,828,972)	(1,828,972)	(2,905,518)	(2,905,518)	(2,905,518)	(2,905,518)	\$ 1,195,272
37	positive is potential customer surcharge, negative is potential cust credit												
38	Less Firm Wholesale	(2,058,547)	(2,783,606)	(1,739,261)	(2,438,967)	(2,066,002)	(1,828,972)	(1,828,972)	(2,905,518)	(2,905,518)	(2,905,518)	(2,905,518)	\$ 1,194,774
39	Gross PCA	(2,058,547)	(2,783,606)	(1,739,261)	(2,438,967)	(2,066,002)	(1,828,972)	(1,828,972)	(2,905,518)	(2,905,518)	(2,905,518)	(2,905,518)	\$ 1,194,774
40	Gross PCA Contra	(2,058,547)	(2,783,606)	(1,739,261)	(2,438,967)	(2,066,002)	(1,828,972)	(1,828,972)	(2,905,518)	(2,905,518)	(2,905,518)	(2,905,518)	\$ 1,194,774
41	Cumulative Gross PCA	(2,058,547)	(725,059)	(2,464,320)	(25,352)	(20,830,649)	(28,856,772)	(37,888,021)	(34,983,535)	(22,179,979)	(14,707,554)	(11,445,120)	\$ 1,194,774
42	Cumulative Gross PCA Contra	(2,058,547)	(725,059)	(2,464,320)	(25,352)	(20,830,649)	(28,856,772)	(37,888,021)	(34,983,535)	(22,179,979)	(14,707,554)	(11,445,120)	\$ 1,194,774
43	Net												
44	Net												
45	Net												
46	Net												
47	Net												
48	Net												
49	Net												
50	Net												
51	Net												
52	Net												
53	Net												
54	Net												

54 Note: This schedule was derived from original PCA collaborative exhibit B

**Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes (PCA Periods)**  
**PCA Period 7 (Updated as of December 31, 2008, on January 8, 2009)**  
**(White River Relicensing Expenditures True-up and ROR calc. on Goldendale Deferral and HR Mitigation)**

		12 Months Ended December 31		PCA Period					
		Balance		Return					
Ref	Description	Asset Amort	AA & ADFIT	Asset Amort	AMA Ratebase as of	A.T. %	Amount	Pre Tax	Monthly
		(Note 1)							
10									
11	<b>Cabot Buyout</b>				G/L Accts #18230171, #19000121, and #28300461 and Order #54756012				
22	Dec 2008	\$ (1,410,000)	-	(1,410,000)	691,208	12/08 7.06%&7.00%	48,730	74,970	6,247
25									
26	<b>Tenaska</b>				G/L Accts #18230001 and #28300451 and Order #55500423				
39	Dec 2008	\$ (28,272,000)	104,886,000	(28,272,000)	118,181,042	12/08 7.06%&7.00%	8,331,763	12,818,098	1,068,175
45									
46	<b>BEP</b>				G/L Accts #18230071, #18230081, and #28300431 and Order #55500007				
55	Dec 2008	\$ (3,526,620)	20,409,483	(3,526,620)	21,608,793	12/08 7.06%&7.00%	1,523,420	2,343,723	195,310
67									
68	<b>White River Relicensing</b>				G/L Accts #18230641, 691, #18236021, 6031, 6041, 6051, 6061, 6071, #18230971, #19000021 and #28300011				
75	Dec 2008	\$ -	19,459,947	-	19,914,187	12/08 7.06%&7.00%	1,403,950	2,159,923	179,994
80									
81	<b>White River Plant Costs</b>				G/L Accts #18220011, #18220021, #18220031, #18220041 and #18220051 and Order #40700015				
88	Dec 2008	\$ (1,494,702)	34,112,846	(1,494,702)	35,041,392	12/08 7.06%&7.00%	2,470,418	3,800,643	316,720
93									
94	<b>Canwest Liability</b>				G/L Accts #25400021, #14300061 and #19000451 and Order #547 / #456				
101	Dec 2008	\$ 1,898,751	(0)	1,898,751	(308,547)	12/08 7.06%&7.00%	(21,753)	(33,465)	(2,789)
104									
105	<b>Hopkins Ridge Prepaid Transm</b>				G/L Accts #18230231, #18230371, Orders #56500011 and #56500021				
111	Dec 2008	\$ (1,992,888)	4,727,174	(1,992,888)	6,016,809	12/08 7.06%&7.00%	424,185	652,592	54,383
117									
118	<b>Goldendale Fixed Cost Deferral</b>				G/L Accts #18230381, 391, #28300541 and #28300551 and Order #40730041				
119	Dec 2008	\$ (693,692)	7,665,067	(693,692)	7,812,601	12/08 7.06%&7.00%	91,147	140,226	11,686
124									
125	<b>Hopkins Ridge Mitigation Credit</b>				G/L Accts #25400171 and #19000561 and Order #55500017				
126	Dec 2008	\$ 241,917	(1,729,704)	241,917	(464,682)	12/08 7.06%&7.00%	(5,421)	(8,340)	(695)
129									

Period	From	To	Asset Amort	AMA Ratebase as of	A.T. %	Return	
						Amount	Monthly
PCA #7	Jan 2008	Dec 2008	(35,249,234)	208,492,804	12/08 7.06%&7.00%	14,266,440	1,829,031
			-	-		(Annualized)	21,948,369

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



**Exhibit G - New Resource Adjustment**

For New Resources with a Terms Longer than 2 Years

Row	3	Name	Klondike
4	5	Description	Wind PPA
6	7		80104.6721
8	9		
10		In-service date	12.1.2007, 20yr term

**PCA Period PCA 7 Calendar 2008**  
 (includes Dec07 for PCA.6)

Row		Actual Dec-07	Actual Jan-08	Actual Feb-08	Actual Mar-08	Actual Apr-08	Actual May-08	Actual Jun-08	Actual Jul-08	Actual Aug-08	Actual Sep-08	Actual Oct-08	Dec07-Oct08 Total
13	<b>Total Variable Component Actual</b>												
14	Steam Oper. Fuel 501												
15	Other Pwr Gen Fuel 547												
16	Other Elec Revenues 45600012, 18												
17	Purchase Power 555												
18	Sales to Other Util 447												
19	Wheeling 565												
20	Transmission Revenue 45600017												
21		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
22	PCA Period Generation (MWh)												
23	Actual Variable Cost (\$/MWh)												
24	Compare with Baseline Rate												
25	Baseline Power Cost Rate (\$/MWh)												
26													
27	Lesser of Actual Cost or Baseline Rate												
28													
29													
30													
31													
32													
33	<b>Adjustment Needed?</b>												
34	Adjustment needed if Baseline rate is lower than actual variable cost												
35	Adjustment Rate (\$/MWh)												
36	Adjustment volume (MWh)												
37	Adjustment Amount (\$)	\$ (18,249)	\$ (47,130)								\$ (76,826)	\$ (91,533)	
38													

To Exhibit B line 24

Note: Per Rates Dept. Exhibit G should be the average cost of the unit for the period it is in service until it is included in rates. So need all costs, even those outside PCA 7.

**Exhibit G - New Resource Adjustment**

PUGET SOUND ENERGY  
PCA MECHANISM ANNUAL REPORT - PCA 7  
TWELVE MONTHS ENDED DECEMBER 31, 2008

Row

3 For New Resources with a Terms Longer than 2 Years

4  
5 Name Sumas  
6 Description Combined Cycle Cogeneration Turbine  
7 In-service date: August 2008  
8  
9

10 PCA Period PCA 7 Calendar 2008

13 **Total Variable Component Actual**

14 Steam Oper. Fuel 501  
15 Other Pwr Gen Fuel 547  
16 Other Elec Revenues 45600012, 18  
17 Purchase Power 555  
18 Sales to Other Util 447  
19 Wheeling (None for Sumas 565  
20 Transmission Revenue 45600017

21  
22  
23 PCA Period Generation (MWh)  
24

25 **Actual Variable Cost** (\$/MWh)  
26 Compare with Baseline Rate  
27

28 **Baseline Power Cost Rate** (\$/MWh)  
29

30 **Lesser of Actual Cost or Baseline Rate**  
31 #REF!  
32

33 **Adjustment Needed?**

34 Adjustment needed if Baseline rate is lower than actual variable cost  
35

36 Adjustment Rate (\$/MWh)  
37 Adjustment volume (MWh)  
38 **Adjustment Amount** (\$)

to Exhibit B line 24

	Actual Aug-08	Actual Sep-08	Actual Oct-08	Sept-Oct08 Total	Prior	Difference
	1,568,875	5,377,506	3,268,324	10,214,705		10,214,705
	\$ 1,568,875	\$ 5,377,506	\$ 3,268,324	\$ 10,214,705		\$ 10,214,705
	24,510	87,365	52,805	164,680		164,680
	\$64,010	\$61,552	\$61,894	\$62,028		\$62,028
	\$59,813	\$59,813	\$59,813	\$59,813		\$59,813
	\$59,813	\$59,813	\$59,813	\$59,813		\$59,813
	Yes	Yes	Yes	Yes		
	-\$4,197	-\$1,739	-\$2,081	-\$2,215		-\$2,215
	24,510	87,365	52,805	164,680		164,680
	<b>\$ (102,858)</b>	<b>\$ (151,943)</b>	<b>\$ (109,899)</b>	<b>\$ (364,700)</b>		<b>\$ (364,700)</b>
	<b>\$ (54,280)</b>	<b>\$ (193,478)</b>	<b>\$ (116,942)</b>	<b>(364,700)</b>		<b>\$ (364,700)</b>

**Puget Sound Energy, Inc.**

Power Cost Adjustment Mechanism Annual  
Report

PCA Period Seven - A

Twelve Months Ended December 31, 2008

**Exhibits**

From January 1 through October 31, 2008  
Docket No. UE-070565, 2007 PCORC

PUGET SOUND ENERGY  
PCA MECHANISM REPORT - PCA 7  
TWELVE MONTHS ENDED DECEMBER 31, 2008

**Exhibit A-1 Power Cost Rate: 1/1/2008 - 10/31/2008**

Row	Test Year	Test Yr \$/MWh (I)	Adjustment to Power Cost Rate (II)	Baseline Rate (III)	Production Factor 0.97319 Rate Year (IV)	Monthly
3	Regulatory Assets (1) (Variable)	\$ 209,854,425	\$ 1,077	\$ 1,077		
4	Transmission Rate Base (Fixed)	107,835,081	\$ 0.554	\$ 0.554	\$ 11,712,549	976,045.74
5	Production Rate Base (Fixed)	1,072,051,983	\$ 5.504	\$ 5.504	\$ 119,649,132	9,970,760.98
6	Net of tax rate of return	\$ 1,389,741,490	\$ 2,715	\$ 2,715		
7		7.06%	\$ 31,237	\$ 31,237		
9A			\$ (0.474)	\$ (0.474)		
10	Regulatory Asset Recovery (on Row 3)	\$ 22,793,419	\$ 0.309	\$ 0.309	\$ 6,714,155	559,512.90
11	Fixed Asset Recovery Other (on Row 4)	11,712,549	\$ 0.091	\$ 0.091	\$ 1,971,083	164,256.91
12	Fixed Asset Recovery-Prod Factored (on Row 5)	116,441,338	\$ 0.080	\$ 0.080	\$ 1,741,604	145,133.69
13	501-Steamp Fuel	57,439,461	\$ 2.715	\$ 2.715	\$ 1,752,076	146,006.31
14	555-Purchased power	660,899,180	\$ 31,237	\$ 31,237	\$ 743,888	61,990.64
14a	Rate Disallowances for March Point 2 and Tenaska	(10,023,555)	\$ (0.474)	\$ (0.474)		
15	557-Other Power Exp	6,534,148	\$ 0.309	\$ 0.309		
15a	Payroll Overheads - Benefits (Inc. Worker's Comp)	1,918,238	\$ 0.091	\$ 0.091		
15b	Property Insurance	1,694,912	\$ 0.080	\$ 0.080		
15c	Montana Electric Energy Tax	1,705,103	\$ 0.081	\$ 0.081		
15d	Payroll Taxes on Production Wages	723,944	\$ 0.034	\$ 0.034		
16	547-Fuel	130,399,129	\$ 6.163	\$ 6.163		
17	565-Wheeling	64,865,736	\$ 3.066	\$ 3.066		
18	Variable Transmission Income	(4,065,390)	\$ (0.192)	\$ (0.192)		
19	Hydro and Other Pwr.	86,202,400	\$ 4.074	\$ 4.074	\$ 88,577,153	7,381,429.44
20	447-Sales to Others	(6,462,987)	\$ (0.305)	\$ (0.305)		
21	456-Subaccounts 00012 & 00018 and 00035 & 00036	(576,422)	\$ (0.027)	\$ (0.027)		
22	Transmission Exp - 500KV	1,315,467	\$ 0.062	\$ 0.062	\$ 1,351,706	112,642.17
23	Depreciation-Production (FERC 403)	69,578,600	\$ 3.289	\$ 3.289	\$ 71,495,391	5,957,949.26
24	Depreciation-Transmission	5,123,147	\$ 0.242	\$ 0.242	\$ 5,123,147	426,928.96
25	Amortization - Regulatory Assets (1)	32,113,880	\$ 1.518	\$ 1.518	\$ 11,733,392	977,782.71
26	Property Taxes-Production	11,418,820	\$ 0.540	\$ 0.540	\$ 3,448,641	287,386.75
27	Property Taxes-Transmission	3,448,641	\$ 0.163	\$ 0.163		
28	Hedging Line of Credit	299,791	\$ 0.014	\$ 0.014		
29	Subtotal & Baseline Rate	\$ 1,265,499,550	\$ 59.813	\$ 59.813	\$ 326,013,917	
30	Revenue Sensitive Items	0.9548744				
21		\$ 1,325,304,742				
32	Test Year DELIVERED Load (MWH's)	21,157,569				
33						
34						
35						
36	Power Cost in Rates with Revenue Sensitive					
37	Items (the adjusted baseline)	\$ 59.813	\$ 62.640	\$ 59.813	\$ 62.640	
38	sum of (a) = Fixed Rate Component	\$ 15.021	\$ 15.731	\$ 15.021	\$ 15.731	
39	(b) = Power Cost Rate	\$ 59.813	\$ 62.640	\$ 59.813	\$ 62.640	
40	sum of (c) = Variable Power Rate Component	\$ 44.792	\$ 46.908	\$ 44.792	\$ 46.908	
41						
42	(1) - Regulatory Assets are shown in detail on Exhibit D.					

<-- includes Firm Wholesale

Before Rev. Sensitive Items	After Rev. Sensitive Items	Before Rev. Sensitive Items	After Rev. Sensitive Items
Rev Req (Column I)	Rev Req (Column II)	Rev Req (Column III)	Rev Req (Column III)
\$ 59.813	\$ 62.640	\$ 59.813	\$ 62.640
\$ 15.021	\$ 15.731	\$ 15.021	\$ 15.731
\$ 59.813	\$ 62.640	\$ 59.813	\$ 62.640
\$ 44.792	\$ 46.908	\$ 44.792	\$ 46.908

**Exhibit A-2 Transmission Rate Base: 1/1/2008 - 10/31/2008**

Row		Plant AMA 12/31/2006	AMA Accum Deprec/Amort	Net	Annualized Depreciation		
6		TRANS - COLSTRIP 1 & 2					
7	E350	100428	Land and Land Rights	\$ 10,247	\$ -		
8	E351	100127	Easements	685,927	(349,438)	336,488	17,011
9	E353	100136	Station Equipment	1,231,131	(852,821)	378,310	34,964
10	E354	100145	Towers & Fixtures	14,474,343	(7,799,425)	6,674,918	374,885
11	E355	100149	Poles & Fixtures	49,007	(44,712)	4,294	774
12	E356	100157	OH Conductors & Devices	13,158,153	(7,605,696)	5,552,457	369,744
13	E359	100170	Roads & Trails	113,968	(58,170)	55,798	2,872
14		TOTAL COLSTRIP 1&2 TRANSMISSION		29,722,775	(16,710,262)	13,012,513	800,251
16		TRANS - COLSTRIP 3 & 4					
17	E351	100128	Easements	1,071,124	(532,243)	538,882	27,314
18	E352	100132	Structures & Improvements	496,711	(250,295)	246,416	12,169
19	E353	100137	Station Equipment	18,004,864	(9,525,436)	8,479,428	589,794
20	E354	100146	Towers & Fixtures	20,513,929	(10,721,999)	9,791,930	543,619
21	E355	100150	Poles & Fixtures	88,692	(53,818)	34,874	2,386
22	E356	100158	OH Conductors & Devices	19,991,226	(11,302,329)	8,688,897	571,749
23	E359	100171	Roads & Trails	341,015	(171,112)	169,903	8,730
24		TOTAL COLSTRIP 3&4 TRANSMISSION		60,507,561	(32,557,232)	27,950,329	1,755,761
26		TRANS - 3RD NW-SW INTERTIE					
27	E350	100430	Land and Land Rights	1,769,178	-	1,769,178	-
28	E352	100134	Structures & Improvements	1,276,264	(302,813)	973,450	22,845
29	E353	100143	Station Equipment	31,291,408	(9,236,875)	22,054,533	726,256
30	E354	100147	Towers & Fixtures	22,781,417	(5,496,371)	17,285,046	430,569
31	E355	100649	Poles & Fixtures	204,200	(47,466)	156,734	5,268
32	E356	100164	OH Conductors & Devices	23,498,183	(7,658,581)	15,839,603	610,953
33	E356	100437	OH Conductors & Devices	206	(39)	167	5
34	E359	100174	Roads & Trails	59,215	(7,279)	51,936	628
35		TOTAL 3RD NW-SW INTERTIE		80,880,071	(22,749,425)	58,130,646	1,796,524
37		TRANS - NORTHERN INTERTIE					
38	E350	100881	Land and Land Rights	30,604	-	30,604	-
39	E354	100879	Towers & Fixtures-Whatcom	5,744,097	(1,090,164)	4,653,933	106,840
40	E355	100878	Poles & Fixtures-Whatcom	11,219	(3,667)	7,553	289
41	E356	100877	OH Conductors & Devices-Whatcom	7,460,099	(1,915,374)	5,544,725	193,963
42	E355	100647	Poles & Fixtures-Skagit	3,398,685	(877,372)	2,521,313	87,686
43	E356	100648	OH Conductors & Devices-Skagit	5,142,699	(1,187,275)	3,955,424	133,710
44		TOTAL NORTHERN INTERTIE		21,787,403	(5,073,851)	16,713,553	522,488
47	Total Transmission	\$ 192,897,810	\$ (77,090,770)	\$ 115,807,040	\$ 4,875,025		
48	Accumulated Depreciation (AMA)	(77,090,770)					
49	Deferred Taxes (AMA)	(12,426,947)					
50	Transmission portion of:						
51	Colstrip Common FERC Adj, net of accum amort	3,834,662			213,630		
52	Colstrip Def Depr FERC Adj, net of accum amort	620,326			34,493		
53							
54	Total Transmission Rate Base	\$ 107,835,081			\$ 5,123,147		



PUGET SOUND ENERGY  
 PCA MECHANISM REPORT - PCA 7  
 TWELVE MONTHS ENDED DECEMBER 31, 2008

Exhibit No. \_\_\_ (JHS-3C)

74  
75

76 Exhibit A-3 Colstrip Fixed Costs (Section 2 of 2): 1/1/2008 - 10/31/2008

Page 14 of 25

77  
78

79 Support for Revenue Requirement - Expenses

80	81 Order	82 Description	83 Amount before
			84 Prod. Adj.
	85 50004011	86 Colstrip 1&2 - Supv & Eng'g - Steam Ope	87 \$ 42,872
	88 50005011	89 Colstrip 3&4 - Supv & Eng'g - Steam Ope	90 \$ 38,116
	91 50204001	92 Colstrip 1&2 - Steam Exp - Steam Gen Op	93 3,118,098
	94 50205001	95 Colstrip 3&4 - Steam Exp - Steam Gen Op	96 2,121,575
	97 50504001	98 Colstrip 1&2 - Electric Exp - Steam Gen	99 69,360
	100 50505001	101 Colstrip 3&4 - Electric Exp - Steam Gen	102 50,720
	103 50604001	104 Colstrip 1&2 - Misc Stm Pwr - Steam Gen	105 4,009,794
	106 50605001	107 Colstrip 3&4 - Misc Stm Pwr - Steam Gen	108 2,426,920
	109 50704001	110 Colstrip 1&2 - Rents - Steam Gen Oper	111 (2,182)
	112 50705001	113 Colstrip 3&4 - Rents - Steam Gen Oper	114 27,838
	115 51004001	116 Colstrip 1&2 - Supv & Eng'g - Steam Gen	117 802,862
	118 51005001	119 Colstrip 3&4 - Supv & Eng'g - Steam Gen	120 614,429
	121 51104001	122 Colstrip 1&2 - Structures - Steam Gen M	123 910,840
	124 51105001	125 Colstrip 3&4 - Structures - Steam Gen M	126 700,258
	127 51204001	128 Colstrip 1&2 - Boiler Plant - Steam Gen	129 6,073,090
	130 51205001	131 Colstrip 3&4 - Boiler Plant - Steam Gen	132 6,768,153
	133 51304001	134 Colstrip 1&2 - Electric Plant - Steam G	135 904,028
	136 51305001	137 Colstrip 3&4 - Electric Plant - Steam G	138 807,119
	139 51404001	140 Colstrip 1&2 - Misc Steam Plt - Steam Gen	141 1,317,438
	142 51405001	143 Colstrip 3&4 - Misc Steam Plt - Steam Gen	144 843,290
	145	146 Subtotal on Orders	147 31,644,619
	148	149 Property Taxes-Montana	150 9,191,136
	151	152 Electric Energy Tax	153 1,755,000
	154 403xxxxx	155 Depreciation	156 19,735,917
	157		158 \$ 62,326,672

<b>Exhibit A-4 Production Adjustment: 1/1/2008 - 10/31/2008</b>
---

PUGET SOUND ENERGY  
POWER COST ONLY RATE CASE  
TWELVE MONTHS ENDED DECEMBER 31, 2006  
PRODUCTION ADJUSTMENT

LINE NO.	DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION 2.681%	NET AMOUNT
1	PRODUCTION O&M INCLUDED IN 557:			
2	WORKER'S COMPENSATION	\$ 181,269	\$ (4,860)	\$ 176,409
3	PROPERTY INSURANCE	1,875,386	(50,279)	1,825,107
4	ELECTRIC ENERGY TAX	1,752,076	(46,973)	1,705,103
5	TOTAL PRODUCTION O&M	<u>3,808,731</u>	<u>(102,112)</u>	<u>3,706,619</u>
6				
7	INCREASE TO O&M EXPENSE ASSOC W/ NEW RESOURCE	10,942,629	(293,372)	10,649,257
8				
9	HEDGING LINE OF CREDIT	308,050	(8,259)	299,791
10				
11	DEPRECIATION AND AMORTIZATION ON PRODUCTION			
12	PROPERTY	71,972,940	(1,929,595)	70,043,346
13				
14	PROPERTY TAXES ON PRODUCTION PROPERTY	<u>12,476,567</u>	<u>(334,497)</u>	<u>12,142,070</u>
15				
16	TOTAL PRODUCTION ADJUSTMENT TO BASELINE RATE	<u>\$ 99,508,917</u>	<u>\$ (2,667,834)</u>	<u>\$ 96,841,083</u>
17				
18	<b><u>PRODUCTION RATE BASE:</u></b>			
19	PRODUCTION PROPERTY	\$ 1,897,245,224	\$ (50,865,144)	\$ 1,846,380,080
20	COLSTRIP COMMON FERC ADJUSTMENT	6,366,303	(170,681)	6,195,622
21	COLSTRIP DEFERRED DEPRECIATION FERC ADJ.	2,496,283	(66,925)	2,429,358
22	ENCOGEN ACQUISITION ADJUSTMENT	43,330,708	(1,161,696)	42,169,012
23	LESS PRODUCTION PROPERTY ACCUM DEPR.	(709,856,998)	19,031,266	(690,825,732)
24	LESS PRODUCTION PROPERTY ACCUM AMORT.	(3,454,190)	92,607	(3,361,583)
25	NET PRODUCTION PROPERTY	<u>1,236,127,329</u>	<u>(33,140,574)</u>	<u>1,202,986,756</u>
26				
27	DEDUCT:			
28	LIBR. DEPREC. PRE 1981 (EOP)	(435,114)	11,665	(423,449)
29	LIBR. DEPREC. POST 1980 (EOP)	(130,481,100)	3,498,198	(126,982,901)
30	OTHER DEF. TAXES (EOP)	(3,625,625)	97,203	(3,528,422)
31				
32	ADJUSTMENT TO RATE BASE BEFORE CWIP	<u>(134,541,839)</u>	<u>3,607,067</u>	<u>(130,934,772)</u>
33				
34	TOTAL ADJUSTMENT TO PRODUCTION RATE BASE	<u>\$ 1,101,585,490</u>	<u>\$ (29,533,507)</u>	<u>\$ 1,072,051,983</u>
35				
36				
37	<b><u>O&amp;M ON REGULATORY ASSETS</u></b>			
38	AMORTIZATION OF REGULATORY ASSETS	<u>32,998,572</u>	<u>(884,692)</u>	<u>32,113,880</u>
39				
40	TOTAL REGULATORY ASSET ADJUSTMENT TO BASELINE RATE	<u>\$ 32,998,572</u>	<u>\$ (884,692)</u>	<u>\$ 32,113,880</u>
41				
42	<b><u>REGULATORY ASSETS RATE BASE:</u></b>			
43	BPA POWER EXCHANGE INVESTMENT	\$ 22,408,333	\$ (600,767)	\$ 44,560,096
44	TENASKA REGULATORY ASSET	126,839,375	(3,400,564)	123,438,811
45	CABOT OIL REGULATORY ASSET	1,231,500	(33,017)	1,198,483
46	WHITE RIVER PLANT COSTS	38,299,445	(1,026,808)	37,272,637
47	WHITE RIVER RELICENSING & CWIP	21,307,241	(571,247)	20,735,994
48	CANWEST (NEW)	(857,075)	22,978	(834,097)
49	HOPKINS RIDGE PREPAID TRANSMISSION (NEW)	6,406,798	(171,766)	6,235,032
50				
51	TOTAL ADJUSTMENT TO REGULATORY ASSETS RATE BASE	<u>\$ 215,635,616</u>	<u>\$ (5,781,191)</u>	<u>\$ 209,854,425</u>



PUGET SOUND ENERGY  
 PCA MECHANISM REPORT - PCA 7  
 TWELVE MONTHS ENDED DECEMBER 31, 2008

<b>Exhibit A-5 Power Costs: 1/1/2008 - 10/31/2008</b>
---

PUGET SOUND ENERGY  
 POWER COST ONLY RATE CASE  
 TWELVE MONTHS ENDED DECEMBER 31, 2006  
 RATE YEAR ENDED AUGUST 31, 2008  
 POWER COST

LINE NO. DESCRIPTION	TEST YEAR	ADJUSTED TEST YEAR	ADJUSTMENT
1 PRODUCTION EXPENSES:			
2 FUEL:			
3 501-STEAM FUEL	\$ 50,018,165	\$ 57,439,461	\$ 7,421,296
4 547-FUEL	48,485,371	38,730,922	(9,754,449)
5 PURCHASED AND INTERCHANGED:			
6 555-PURCHASED POWER	820,748,691	752,992,386	(67,756,305)
7 RATE DISALLOWANCES FOR MARCH POINT 2 AND TENASKA	-	(10,023,555)	(10,023,555)
8 557 - OTHER POWER EXPENSE	10,263,800	8,999,921	(1,263,879)
9 WHEELING	50,788,707	57,960,540	7,171,833
10 HYDRO AND OTHER POWER	65,868,284	77,990,870	12,122,586
11 TRANS. EXP. INCL. 500KV O&M	949,052	1,315,467	366,415
12 SALES FOR RESALE	(85,003,391)	(2,420,518)	82,582,873
13 PURCHASES/SALES OF NON-CORE GAS	(16,445,463)	(576,422)	15,869,042
14 WHEELING FOR OTHERS - COLSTRIP, 3RD AC & NI	(4,610,746)	(4,065,390)	545,355
15 INCREASE (DECREASE) EXPENSE	941,062,470	978,343,683	37,281,213
16			
17 LESS: SALES FOR RESALE	85,003,391	2,420,518	(82,582,873)
18 LESS: WHEELING FOR OTHERS	4,610,746	4,065,390	(545,355)
19 SCH. 94 - RES./FARM CREDIT	-	-	-
20 INCREASE(DECREASE) EXPENSE	\$1,030,676,606	984,829,591	\$ (45,847,015)
21 TRANS. EXP. INCL. 500KV O&M		(1,315,467)	
22 PURCHASES/SALES OF NON-CORE GAS		576,422	
23 POWER COSTS PER G/L		\$ 984,090,546	

PUGET SOUND ENERGY  
PCA MECHANISM REPORT - PCA 7  
TWELVE MONTHS ENDED DECEMBER 31, 2008

Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes (PCA Periods)  
2007 Power Cost Only Rate Case

Ref	Description	12 Months Ended December 31		PCA Period		Return			
		Asset Amort	AA & ADFIT	Asset Amort	AMA Ratebase as of	A.T. %	Amount	Pre Tax	Monthly
		Balance net of							
		(Note 1)							
9									
10	Cabot Buyout				G/L Accts #18230171 and #28300461 and Order #54756012				
21	Dec 2008	\$ (1,410,000)	-		691,208 12/08	7.06%	48,799	75,076	6,256
23									
24	Tenaska				G/L Accts #18230001 and #28300451 and Order #55500423				
37	Dec 2008	\$ (28,272,000)	104,886,000		118,181,042 12/08	7.06%	8,343,582	12,836,279	1,069,690
42									
43	BEP				G/L Accts #18230071 and #18230081 and Order #55500007				
52	Dec 2008	\$ (3,526,620)	20,409,483		21,608,793 12/08	7.06%	1,525,581	2,347,047	195,587
63									
64	White River Relicensing				G/L Accts #18230641, #18236021, 6031, 6041, 6051, 6071, #18230691, #19000021 and #28300011				
71	Dec 2008	\$	21,307,241		21,307,241 12/08	7.06%	1,504,291	2,314,294	192,858
75									
76	White River Plant Costs				G/L Accts #18220011, #18220031, #18220041 and #18220051 and Order #40700015				
83	Dec 2008	\$ (1,494,702)	37,328,058		37,912,178 12/08	7.06%	2,676,600	4,117,846	343,154
87									
88	Canwest Liability				G/L Accts #25400021, #14300061 and #19000451 and Order #547 / #456				
95	Dec 2008	\$ 1,898,751	(0)		1,898,751 (308,547) 12/08	7.06%	(21,783)	(33,513)	(2,793)
97									
98	Hopkins Ridge Prepaid Transm				G/L Acct #18230231 and #18230371 and Order #56500011				
104	Dec 2008	\$ (998,862)	5,730,000		(998,862) 5,947,900 12/08	7.06%	419,922	646,033	53,836
109									
110									
111									
112									
113									
118									
121									
122									
123									

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

**Puget Sound Energy, Inc.**

Power Cost Adjustment Mechanism Annual  
Report

PCA Period Seven - B

Twelve Months Ended December 31, 2008

**Exhibits**

From November 1 through December 31, 2008  
Docket No. UE-072300, 2007 GRC

**Exhibit A-1 Power Cost Rate: 11/1/2008 - 12/31/2008**

Row		Test Year	Test Yr \$/MWh	Production Factor	Rate Year	Monthly
3	Regulatory Assets (Variable)	\$ 173,406,226	0.877 (c)	0.96663		
4	Transmission Rate Base (Fixed)	107,422,863	0.544 (a)		11,568,616	964,051.33
5	Production Rate Base (Fixed)	1,073,506,014	5.432 (a)		119,599,371	9,966,614.25
6	Net of tax rate of return	\$ 1,354,335,102	2.549 (c)			
7		7.00%	34.963 (c)			
8			(0.395) (c)			
9	Regulatory Asset Recovery (on Row 3)	\$ 18,674,517	0.275 (a)		6,052,413	504,367.74
10	Fixed Asset Recovery Other (on Row 4)	11,568,616	0.124 (a)		2,726,252	227,187.66
11	Fixed Asset Recovery-Prod Factored (on Row 5)	115,608,340	0.106 (a)		2,332,573	194,381.09
12	501-Steam Fuel	54,253,262	0.076 (a)		1,668,897	139,074.75
13	555-Purchased power	744,150,957	0.054 (a)		1,192,660	99,388.35
14	Rate Disallowances for March Point 2 & Tenaska	(8,416,594)	(0.209) (c)			
15	557-Other Power Exp	5,850,444	0.007 (c)			
15a	Payroll Overheads - Worker's Comp	2,635,277	0.053 (a)		1,175,688	97,974.00
15b	Property Insurance	2,254,735	2.695 (a)		59,334,748	4,944,562.34
15c	Montana Electric Energy Tax	1,613,206	0.190 (a)		4,053,897	337,824.72
15d	Payroll Taxes on Production Wages	1,152,861	1.894 (c)		15,178,204	1,264,850.33
16	547-Fuel	122,267,324	0.166 (a)		3,535,153	294,596.04
17	565-Wheeling	67,657,484	0.013 (c)			
18	Variable Transmission Income	(4,458,228)	(0.209) (c)			
19	Hydro and Other Pwr.	96,183,223	4.519 (a)		99,503,661	8,291,971.71
20	447-Sales to Others	(14,704,466)	(0.691) (c)			
21	456-Subaccounts 00012 & 00018 and 00035 & 00036	(149,656)	(0.007) (c)			
22	Transmission Exp - 500KV	1,136,455	0.053 (a)		1,175,688	97,974.00
23	Depreciation & Amort -Production (FERC 403)	57,354,748	2.695 (a)		59,334,748	4,944,562.34
24	Depreciation-Transmission	4,053,897	0.190 (a)		4,053,897	337,824.72
25	Amortization-Production Reg Assets	40,316,621	1.894 (c)		15,178,204	1,264,850.33
26	Property Taxes-Production	14,671,707	0.689 (a)		3,535,153	294,596.04
27	Property Taxes-Transmission	3,535,153	0.166 (a)			
28	Hedging Line of Credit	285,295	0.013 (c)			
29	Subtotal & Baseline Rate	\$ 1,337,495,176	\$ 62.841 (b)		327,922,132	
30	Revenue Sensitive Items	0.9559032				
31	Test Year DELIVERED Load (MWH's)	\$ 1,399,195,207				
32		21,283,656				
33						
34						
35						
36						
37						
38	Power Cost in Rates with Revenue Sensitive					
39	Items (the adjusted baseline)	\$ 62.841	\$ 65.740			
40	sum of (a) = Fixed Rate Component	\$ 14.923	\$ 15.611			
41	(b) = Power Cost Rate	\$ 62.841	\$ 65.740			
42	sum of (c) = Variable Power Rate Component	\$ 47.918	\$ 50.129			

<-- includes Firm Wholesale

	Before Rev. Sensitive Items	After Rev. Sensitive Items
Power Cost in Rates with Revenue Sensitive Items (the adjusted baseline)	\$ 62.841	\$ 65.740
sum of (a) = Fixed Rate Component	\$ 14.923	\$ 15.611
(b) = Power Cost Rate	\$ 62.841	\$ 65.740
sum of (c) = Variable Power Rate Component	\$ 47.918	\$ 50.129

PUGET SOUND ENERGY  
PCA MECHANISM REPORT - PCA 7  
TWELVE MONTHS ENDED DECEMBER 31, 2008

Exhibit No. \_\_\_\_ (JHS-3C)  
Page 20 of 25

**Exhibit A-2 Transmission Rate Base: 11/1/2008 - 12/31/2008**

Row		Plant AMA 9/30/2007	AMA Accum Deprec/Amort	Net	Annualized Depreciation		
7							
8							
6		TRANS - COLSTRIP 1 & 2					
7	E350	100428	Land and Land Rights	\$ 10,247	\$ -	\$ 10,247	
8	E351	100127	Easements	685,927	(360,207)	325,719	13,033
9	E353	100136	Station Equipment	1,231,131	(874,485)	356,646	25,977
10	E354	100145	Towers & Fixtures	14,474,343	(8,014,007)	6,460,336	241,722
11	E355	100149	Poles & Fixtures	49,007	(45,717)	3,290	1,622
12	E356	100157	OH Conductors & Devices	13,158,153	(7,836,950)	5,321,203	277,637
13	E359	100170	Roads & Trails	113,968	(59,703)	54,265	1,630
14		TOTAL COLSTRIP 1&2 TRANSMISSION		29,722,775	(17,191,069)	12,531,705	561,620
15							
16		TRANS - COLSTRIP 3 & 4					
17	E351	100128	Easements	1,071,124	(549,247)	521,877	20,351
18	E352	100132	Structures & Improvements	496,711	(257,560)	239,152	8,444
19	E353	100137	Station Equipment	18,174,239	(9,862,443)	8,311,796	383,636
20	E354	100146	Towers & Fixtures	20,520,449	(11,029,237)	9,491,212	342,640
21	E355	100150	Poles & Fixtures	88,692	(49,721)	38,970	2,936
22	E356	100158	OH Conductors & Devices	19,991,226	(11,651,182)	8,340,044	421,815
23	E359	100171	Roads & Trails	341,015	(175,733)	165,282	4,877
24		TOTAL COLSTRIP 3&4 TRANSMISSION		60,683,456	(33,575,123)	27,108,333	1,184,699
25							
26		TRANS - 3RD NW-SW INTERTIE					
27	E350	100430	Land and Land Rights	1,769,178	-	1,769,178	-
28	E352	100134	Structures & Improvements	1,276,264	(319,373)	956,891	21,696
29	E353	100143	Station Equipment	31,896,982	(9,756,046)	22,140,936	679,173
30	E354	100147	Towers & Fixtures	22,781,417	(5,794,238)	16,987,178	380,450
31	E355	100649	Poles & Fixtures	204,200	(52,163)	152,037	6,759
32	E356	100164	OH Conductors & Devices	23,498,183	(8,059,225)	15,438,959	495,812
33	E356	100437	OH Conductors & Devices	206	(42)	163	4
34	E359	100174	Roads & Trails	59,215	(7,860)	51,356	847
35		TOTAL 3RD NW-SW INTERTIE		81,485,645	(23,988,947)	57,496,698	1,584,741
36							
37		TRANS - NORTHERN INTERTIE					
38	E350	100881	Land and Land Rights	30,604	-	30,604	
39	E354	100879	Towers & Fixtures-Whatcom	5,744,097	(1,164,837)	4,579,260	95,926
40	E355	100878	Poles & Fixtures-Whatcom	11,219	(3,925)	7,295	371
41	E356	100877	OH Conductors & Devices-Whatcom	7,460,099	(2,042,568)	5,417,530	157,408
42	E355	100647	Poles & Fixtures-Skagit	3,398,685	(955,541)	2,443,144	112,496
43	E356	100648	OH Conductors & Devices-Skagit	5,142,699	(1,274,958)	3,867,741	108,511
44		TOTAL NORTHERN INTERTIE		21,787,403	(5,441,829)	16,345,574	474,713
45							
46							
47		Total Transmission		\$ 193,679,280	\$ (80,196,969)	\$ 113,482,310	\$ 3,805,774
48		Accumulated Depreciation (AMA)		(80,196,969)			
49		Deferred Taxes (AMA)		(10,328,344)			
50		Transmission portion of:					
51		Colstrip Common FERC Adj, net of accum amort		3,674,439			213,630
52		Colstrip Def Depr FERC Adj, net of accum amort		594,457			34,493
53							
54		Total Transmission Rate Base		\$ 107,422,863			\$ 4,053,897

PUGET SOUND ENERGY  
PCA MECHANISM REPORT - PCA 7  
TWELVE MONTHS ENDED DECEMBER 31, 2008

Exhibit A-3 Colstrip Fixed Costs (Section 1 of 2): 11/1/2008 - 12/31/2008

Row	Revenue Requirement for Colstrip				
4	Plant	713,910,714			
5	Accumulated Depreciation	(424,341,614)			
6	Deferred Taxes - AMA 9/30/2007	(60,490,992)			
7	Net Plant	229,078,109			
8	Rate of Return (net of Tax)	7.00%			
9	Revenue Requirement after tax	16,035,468	(Line 6 X Line 7)		
10	Plant Revenue Requirement	24,669,950	(Adjusted for Federal Tax) (Line 8 X (1 - 35%))	35.00%	
11	Expenses	72,012,429			
12	Total Revenue Requirement	96,682,379	(before revenue sensitive items)		
13					
14	Support for Revenue Requirement - Ratebase				

15	FERC	DESCRIPTION	2006 Sep	2007 Sep	13 MONTH AMA	ANNUITY RATE	ANNUALIZED DEPRECIATION	AMA ACUMM. DEPR.
16		COLSTRIP #1						
17	E311	Structures & Improvements	7,435,989	7,473,868	7,442,839	3.91%	290,983	(4,667,186)
18	E312	Boiler Plant Equipment	55,297,743	58,163,161	58,399,565	3.64%	2,135,756	(38,786,593)
19	E314	Turbo Generating Units	19,333,175	23,438,987	21,941,924	5.20%	1,177,923	(10,315,710)
20	E315	Accessory Electric Equipment	7,180,779	7,180,435	7,180,436	1.97%	141,393	(5,497,749)
21	E316	Misc. Power Plant Equipment	563,919	799,296	738,763	4.79%	38,607	(339,996)
22		TOTAL	89,811,604	97,055,746	95,703,527	3.95%	3,784,663	(59,607,233)
23		COLSTRIP #2						
24	E311	Structures & Improvements	5,822,932	5,860,809	5,829,780	2.97%	173,127	(4,308,946)
25	E312	Boiler Plant Equipment	49,622,109	49,788,214	50,336,181	3.83%	1,930,120	(32,467,864)
26	E314	Turbo Generating Units	16,983,271	20,283,196	18,935,759	5.03%	972,784	(9,192,560)
27	E315	Accessory Electric Equipment	5,070,990	5,087,939	5,071,696	2.93%	148,531	(3,300,376)
28	E316	Misc. Power Plant Equipment	588,700	824,074	761,972	4.93%	40,945	(339,989)
29		TOTAL	78,088,002	81,844,232	80,935,388	4.03%	3,265,506	(49,609,735)
30		COLSTRIP 1 & 2 COMMON						
31	E311	Structures & Improvements	31,349,014	31,349,014	31,349,014	2.77%	805,478	(23,933,769)
32	E312	Boiler Plant Equipment	7,804,511	6,485,834	7,639,677	2.66%	200,567	(5,955,725)
33	E314	Turbo Generating Units	3,845,456	3,844,103	3,845,287	2.65%	101,890	(3,018,238)
34	E315	Accessory Electric Equipment	2,375,376	2,375,376	2,375,376	2.41%	57,242	(1,692,849)
35	E316	Misc. Power Plant Equipment	6,363,663	6,289,463	6,354,388	2.82%	179,035	(4,334,267)
36	E317	Asset Retirement Obligation	540,097	540,097	540,097	0.00%	15,431	(419,218)
37		TOTAL	52,278,117	50,883,887	52,103,839	2.61%	1,359,643	(39,354,065)
38		COLSTRIP 3						
39	E311	Structures & Improvements	29,046,399	29,058,976	29,048,700	2.80%	813,340	(18,146,443)
40	E312	Boiler Plant Equipment	120,515,322	123,772,538	121,626,748	2.81%	3,392,494	(77,028,363)
41	E314	Turbo Generating Units	39,218,823	41,474,566	39,609,872	3.77%	1,503,373	(18,601,328)
42	E315	Accessory Electric Equipment	6,468,230	6,460,699	6,467,516	2.50%	161,643	(3,760,031)
43	E316	Misc. Power Plant Equipment	550,709	704,857	667,549	3.69%	26,323	(284,941)
44		TOTAL	195,799,483	201,471,636	197,420,385	2.99%	5,897,173	(117,821,106)
45		COLSTRIP 4						
46	E311	Structures & Improvements	26,588,411	26,600,987	26,590,711	2.75%	731,183	(15,408,741)
47	E312	Boiler Plant Equipment	107,860,241	108,751,249	108,211,291	2.98%	3,229,140	(60,526,081)
48	E314	Turbo Generating Units	36,166,530	37,714,991	37,405,037	3.59%	1,359,090	(16,231,636)
49	E315	Accessory Electric Equipment	5,669,307	5,670,535	5,669,687	2.54%	144,026	(2,976,522)
50	E316	Misc. Power Plant Equipment	748,198	902,346	865,038	3.26%	29,694	(382,886)
51		TOTAL	177,032,686	179,640,108	178,741,764	3.07%	5,493,132	(95,525,866)
52		COLSTRIP 3 & 4 COMMON						
53	E311	Structures & Improvements	70,602,621	70,574,232	70,599,073	2.53%	1,740,035	(43,774,562)
54	E312	Boiler Plant Equipment	18,959,641	18,727,316	18,930,601	2.68%	506,508	(11,564,327)
55	E314	Turbo Generating Units	13,373	10,515	13,016	49.28%	5,746	106,746
56	E315	Accessory Electric Equipment	7,652,070	7,652,070	7,652,070	2.32%	177,507	(4,346,380)
57	E316	Misc. Power Plant Equipment	4,639,637	4,613,132	4,636,324	2.70%	125,011	(2,480,469)
58	E317	Asset Retirement Obligation	333,978	333,978	333,978	0.00%	7,590	(206,204)
59		TOTAL	102,201,321	101,911,244	102,165,062	2.51%	2,562,397	(62,265,196)
60		COLSTRIP 1-4 COMMON						
61	E316	Misc. Power Plant Equip.	251,534	251,534	251,534	2.23%	5,609	(158,412)
62		TOTAL	251,534	251,534	251,534	2.23%	5,609	(158,412)
63								
64		Subtotal before Colstrip FERC Adjustments (Line 63 + 65)	695,462,748	713,058,387	707,321,499	3.16%	22,368,124	(424,341,614)
65		ARO - Electric Colstrip 1-4 (Acct: 23001021 - 1031) Adj (AMA is Net of Accum. Amort.)			(1,903,266)		91,109	
66		Colstrip Common FERC Adj. (AMA is Net of Accum. Amort.)			6,100,301		354,669	
67		Colstrip Def Depr FERC Adj. (AMA is Net of Accum. Amort.)			2,392,180		104,311	
68		Totals			713,910,714	3.21%	22,918,212	(424,341,614)

PUGET SOUND ENERGY  
 PCA MECHANISM REPORT - PCA 7  
 TWELVE MONTHS ENDED DECEMBER 31, 2008

**Exhibit A-3 Colstrip Fixed Costs (Section 2 of 2): 11/1/2008 - 12/31/2008**

77			
78			
79	Support for Revenue Requirement - Expenses		
80			<b>Amount before</b>
81	Order	Description	<b>Prod. Adj.</b>
82	50004011	Colstrip 1&2 - Supv & Eng'g - Steam Ope	\$ 50,364
83	50005011	Colstrip 3&4 - Supv & Eng'g - Steam Ope	42,184
84	50204001	Colstrip 1&2 - Steam Exp - Steam Gen Op	3,297,477
85	50205001	Colstrip 3&4 - Steam Exp - Steam Gen Op	2,175,561
86	50504001	Colstrip 1&2 - Electric Exp - Steam Gen	71,508
87	50505001	Colstrip 3&4 - Electric Exp - Steam Gen	56,120
88	50604001	Colstrip 1&2 - Misc Stm Pwr - Steam Gen	4,170,512
89	50605001	Colstrip 3&4 - Misc Stm Pwr - Steam Gen	2,444,791
90	50704001	Colstrip 1&2 - Rents - Steam Gen Oper	48
91	50705001	Colstrip 3&4 - Rents - Steam Gen Oper	33,275
92	51004001	Colstrip 1&2 - Supv & Eng'g - Steam Gen	880,470
93	51005001	Colstrip 3&4 - Supv & Eng'g - Steam Gen	692,702
94	51104001	Colstrip 1&2 - Structures - Steam Gen M	829,877
95	51105001	Colstrip 3&4 - Structures - Steam Gen M	763,915
96	51204001	Colstrip 1&2 - Boiler Plant - Steam Gen	5,545,623
97	51205001	Colstrip 3&4 - Boiler Plant - Steam Gen	6,051,077
98	51304001	Colstrip 1&2 - Electric Plant - Steam G	1,123,321
99	51305001	Colstrip 3&4 - Electric Plant - Steam G	1,062,379
100	51404001	Colstrip 1&2 - Misc Steam Plt - Steam Gen	1,052,523
101	51405001	Colstrip 3&4 - Misc Steam Plt - Steam Gen	922,491
102		Subtotal for the test year	31,266,220
103		Adjustment to the rate year	4,701,285
104		Subtotal on Orders	35,967,505
105		Property Taxes-Montana	11,457,814
106		Electric Energy Tax	1,668,897
107	403xxxxx	Depreciation	22,918,212
108			<u>\$ 72,012,429</u>

**Exhibit A-4 Production Adjustment: 11/1/2008 - 12/31/2008**

PUGET SOUND ENERGY  
 PRODUCTION ADJUSTMENT  
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
 GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION 3.337%	FIT 35%
1	<b><u>O&amp;M ON PRODUCTION PROPERTY</u></b>			
2	PRODUCTION WAGE INCREASE:			
3	PURCHASED POWER	\$ 172,558	\$ (5,758)	\$ 2,015
4	OTHER POWER SUPPLY	813,586	(27,149)	9,502
5	TOTAL PRODUCTION WAGE INCREASE	986,144	(32,908)	11,517
6				
7	ADMIN & GENERAL EXPENSES			
8	PAYROLL OVERHEADS	2,726,252	(90,975)	31,841
9	PROPERTY INSURANCE	2,332,573	(77,838)	27,243
10	TOTAL ADMIN & GENERAL EXPENSES	5,058,825	(168,813)	59,084
11				
12	DEPRECIATION / AMORTIZATION:			
13	DEPRECIATION	53,528,073	(1,786,232)	462,126
14	AMORTIZATION	5,806,675	(193,769)	65,192
15	TOTAL DEPRECIATION AND AMORTIZATION (FERC 403)	59,334,748	(1,980,001)	527,318
16	TAXES OTHER-PRODUCTION PROPERTY:			
17	PROPERTY TAXES - WASHINGTON	6,476,490	(216,120)	75,642
18	PROPERTY TAXES - MONTANA	8,701,714	(290,376)	101,632
19	ELECTRIC ENERGY TAX	1,668,897	(55,691)	19,492
20	PAYROLL TAXES	1,192,660	(39,799)	13,930
21	TOTAL TAXES OTHER	18,039,761	(601,987)	210,696
22				
23	<b><u>O&amp;M ON REGULATORY ASSETS:</u></b>			
24	CABOT	\$ -	-	-
25	TENASKA	31,942,000	(1,065,905)	373,067
26	BEP	3,526,620	(117,683)	41,189
27	WHITE RIVER PLANT COSTS	1,494,702	(49,878)	17,457
28	WHITE RIVER RELICENSING & CWIP	-	-	-
29	CANWEST	-	-	-
30	HOPKINS RIDGE PREPAID TRANSMISSION	2,034,455	(67,890)	23,761
31	HOPKINS RIDGE INFILL MITIGATION CREDIT	(1,451,500)	48,437	(16,953)
32	GOLDENDALE FIXED COST DEFERRAL (NEW)	4,162,154	(138,891)	48,612
33	TOTAL ADJUSTMENT TO O&M ON REGULATORY ASSETS	\$ 41,708,431	\$ (1,391,810)	\$ 487,133
34	INCREASE(DECREASE) EXPENSE		(4,175,518)	
35	INCREASE(DECREASE) FIT			1,295,748
36	INCREASE(DECREASE) NOI			\$ 2,879,770
37				
38	<b><u>PRODUCTION PROPERTY RATE BASE:</u></b>			
39	DEPRECIABLE PRODUCTION PROPERTY	\$ 2,121,905,426	\$ (70,807,984)	
40	LESS PRODUCTION PROPERTY ACCUM DEPR.	(989,158,909)	33,008,233	
41	NON-DEPRECIABLE PRODUCTION PROPERTY	80,465,857	(2,685,146)	
42	LESS PRODUCTION PROPERTY ACCUM AMORT.	(4,422,650)	147,584	
43	COLSTRIP COMMON FERC ADJUSTMENT	6,100,301	(203,567)	
44	COLSTRIP DEFERRED DEPRECIATION FERC ADJ.	1,797,723	(59,990)	
45	ENCOGEN ACQUISITION ADJUSTMENT	41,341,033	(1,379,550)	
46	NET PRODUCTION PROPERTY	1,258,028,782	(41,980,420)	
47	DEDUCT:			
48	LIBR. DEPREC. PRE 1981 (EOP)	(372,848)	12,442	
49	LIBR. DEPREC. POST 1980 (EOP)	(143,794,887)	4,798,435	
50	OTHER DEF. TAXES (EOP)	(3,295,458)	109,969	
51	SUBTOTAL	(147,463,194)	4,920,847	
52				
53	ADJUSTMENT TO PRODUCTION RATE BASE	\$ 1,110,565,588	\$ (37,059,574)	\$ 1,073,506,014
54				
55	<b><u>REGULATORY ASSETS RATE BASE:</u></b>			
56	CABOT	21,125	(705)	
57	TENASKA	94,583,875	(3,156,264)	
58	BEP	19,609,943	(654,384)	
59	WHITE RIVER PLANT COSTS	33,499,702	(1,117,885)	
60	WHITE RIVER RELICENSING & CWIP	21,740,384	(725,477)	
61	CANWEST	(0)	-	
62	HOPKINS RIDGE PREPAID TRANSMISSION	4,614,747	(153,994)	
63	HOPKINS RIDGE INFILL MITIGATION CREDIT	(1,440,474)	48,069	
64	GOLDENDALE FIXED COST DEFERRAL (NEW)	6,763,253	(225,690)	
65				
66	ADJUSTMENT TO REGULATORY ASSETS RATE BASE	\$ 179,392,556	\$ (5,986,330)	\$ 173,406,226
67				
68	TOTAL ADJUSTMENT TO RATEBASE (LINE 56 + LINE 67)		\$ (43,045,904)	



<b>Exhibit A-5 Power Costs: 11/1/2008 - 12/31/2008</b>
--

PUGET SOUND ENERGY  
 POWER COSTS  
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
 GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA	INCREASE (DECREASE)
1	SALES FOR RESALE	\$ 268,574,887	\$ 14,704,466	\$ (253,870,421)
2				
3	PURCHASES/SALES OF NON-CORE GAS	4,267,784	149,656	(4,118,128)
4	WHEELING FOR OTHERS	10,583,713	9,986,183	(597,530)
5		14,851,497	10,135,839	(4,715,658)
6				
7	<b>TOTAL OPERATING REVENUES</b>	<b>283,426,385</b>	<b>24,840,306</b>	<b>(258,586,079)</b>
8				
9	FUEL	\$ 119,309,169	\$ 176,520,586	\$ 57,211,417
10				
11	PURCHASED AND INTERCHANGED	990,181,182	749,834,601	(240,346,581)
12	HEDGING	-	285,295	285,295
13	RATE DISALLOWANCES FOR MARCH POINT 2	-	(8,416,594)	(8,416,594)
14	SUBTOTAL PURCHASED AND INTERCHANGE	\$ 990,181,182	\$ 741,703,302	\$ (248,477,880)
15	WHEELING	63,827,743	67,657,484	3,829,741
16	SCH. 94 - RES./FARM CREDIT	-	-	-
17	TOTAL PRODUCTION EXPENSES	\$ 1,173,318,094	\$ 985,881,372	\$ (187,436,722)
18	HYDRO AND OTHER POWER	79,069,006	95,396,787	16,327,780
19	TRANS. EXP. INCL. 500KV O&M	1,175,688	1,136,455	(39,233)
20				
21	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 1,253,562,789</b>	<b>\$ 1,082,414,614</b>	<b>\$ (171,148,175)</b>
22				
23	INCREASE (DECREASE) OPERATING INCOME	\$ (970,136,404)	\$ (1,057,574,309)	\$ (87,437,904)
24				
25	REDUCTION TO STATE UTILITY TAX SAVING	3.85%		(23,005)
26	INCREASE (DECREASE) INCOME			\$ (87,414,899)
27	INCREASE (DECREASE) FIT @	35%		(30,595,215)
28	INCREASE (DECREASE) NOI			<u>\$ (56,819,685)</u>

PUGET SOUND ENERGY  
PCA MECHANISM REPORT - PCA 7  
TWELVE MONTHS ENDED DECEMBER 31, 2008

Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes (PCA Periods)  
2007 GRC

Ref	Description	12 Months Ended December 31		PCA Period		Return				
		Balance		AMA Ratebase		Amount		Pre Tax		
		net of AA & ADFIT (Note 1)	net of AA & ADFIT (Note 1)	Asset Amort	Asset Amort	A.T. %	Amount	Pre Tax	Monthly	
9										
10	Cabot Buyout									
21	Dec 2008 \$	(1,410,000)	-	(1,410,000)	691,208	12/08	7.06%&7.00%	48,864	75,175	6,265
24										
25	Tenaska									
38	Dec 2008 \$	(28,272,000)	104,886,000	(28,272,000)	118,181,042	12/08	7.06%&7.00%	8,354,590	12,853,216	1,071,101
44										
45	BEP									
54	Dec 2008 \$	(3,526,620)	20,409,483	(3,526,620)	21,608,793	12/08	7.06%&7.00%	1,527,594	2,350,144	195,845
66										
67	White River Relicensing									
74	Dec 2008 \$	21,740,384		-	21,826,245	12/08	7.06%&7.00%	1,542,966	2,373,794	197,816
79										
80	White River Plant Costs									
87	Dec 2008 \$	(1,494,702)	34,112,846	(1,494,702)	35,041,392	12/08	7.06%&7.00%	2,477,186	3,811,056	317,588
92										
93	Canwest Liability									
100	Dec 2008 \$	1,898,751	(0)	1,898,751	(308,547)	12/08	7.06%&7.00%	(21,812)	(33,557)	(2,796)
103										
104	Hopkins Ridge Prepaid Transm									
110	Dec 2008 \$	(1,928,714)	5,291,348	(1,928,714)	6,265,851	12/08	7.06%&7.00%	442,953	681,466	56,789
116										
117	Hopkins Ridge Mitigation Credit									
118	Dec 2008 \$	(241,917)	(1,729,704)	(241,917)	(464,682)	12/08	7.06%&7.00%	(32,850)	(50,538)	(4,212)
122										
123	Goldendale Fixed Cost Deferral									
124	Dec 2008 \$	(693,692)	7,665,053	(693,692)	7,812,600	12/08	7.06%&7.00%	552,297	849,688	70,807
128										
129										
130										
131										
132										
137	PCA #7	Jan 2008	Dec 2008	(35,668,893)	210,653,903	12/08	7.06%&7.00%	14,891,788	22,910,443	1,909,204
140										
141										
142										

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