

**EXHIBIT NO. ___(JHS-9C)
DOCKET NO. UE-06 ___/UG-06 ___
2006 PSE GENERAL RATE CASE
WITNESS: JOHN H. STORY**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**Docket No. UE-06 ___
Docket No. UG-06 ___**

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

**REDACTED
VERSION**

FEBRUARY 15, 2006

Exhibit A-1 Power Cost Rate

Row		Test Year			Production
					Factor
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		\$	1,345,926,293		
7	Net of tax rate of return		7.57%		0.99109
8					Rate Year
9					
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)
12	Fixed Asset Recovery-Prod Factored (on Row 5)		116,774,349	\$ 5.741	(a)
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)
15a	Payroll Overheads - Worker's Comp		1,077,159	\$ 0.053	(a)
15b	Property Insurance		1,952,634	\$ 0.096	(a)
15c	Montana Electric Energy Tax		1,704,512	\$ 0.084	(a)
15d	Payroll Taxes on Production Wages		524,291	\$ 0.026	(a)
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)
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)
23	Depreciation & Amort -Production (FERC 403)		68,076,116	\$ 3.347	(a)
24	Depreciation-Transmission		5,109,174	\$ 0.251	(a)
25	Amortization-Production Reg Assets		30,028,391	\$ 1.476	(c)
26	Property Taxes-Production		12,693,942	\$ 0.624	(a)
27	Property Taxes-Transmission		4,237,062	\$ 0.208	(a)
28	Subtotal & Baseline Rate	\$	1,204,231,365	\$ 59.208	(b)
29	Revenue Sensitive Items		0.9549744		
30		\$	1,261,009,074		
31	Test Year DELIVERED Load (MWH's)		20,339,227		<-- 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	
8							
9							
6		TRANS - COLSTRIP 1 & 2					
7	E350	100428	Land and Land Rights	\$ 10,247	\$ -	\$ 10,247	\$ -
8	E351	100127	Easements	685,927	(328,174)	357,753	17,011
9	E353	100136	Station Equipment	1,231,131	(809,116)	422,015	34,964
10	E354	100145	Towers & Fixtures	14,474,343	(7,330,817)	7,143,526	374,889
11	E355	100149	Poles & Fixtures	49,007	(43,744)	5,263	774
12	E356	100157	OH Conductors & Devices	13,158,153	(7,143,515)	6,014,638	369,744
13	E359	100170	Roads & Trails	113,968	(54,580)	59,388	2,872
14		TOTAL COLSTRIP 1&2 TRANSMISSION		29,722,776	(15,709,946)	14,012,830	800,254
15							
16		TRANS - COLSTRIP 3 & 4					
17	E351	100128	Easements	1,071,124	(498,101)	573,023	27,314
18	E352	100132	Structures & Improvements	496,711	(235,088)	261,623	12,132
19	E353	100137	Station Equipment	17,948,341	(8,791,003)	9,157,338	586,329
20	E354	100146	Towers & Fixtures	20,492,882	(10,042,410)	10,450,472	543,826
21	E355	100150	Poles & Fixtures	88,692	(50,835)	37,857	2,386
22	E356	100158	OH Conductors & Devices	19,991,226	(10,587,643)	9,403,583	571,749
23	E359	100171	Roads & Trails	341,015	(160,200)	180,815	8,730
24		TOTAL COLSTRIP 3&4 TRANSMISSION		60,429,991	(30,365,280)	30,064,711	1,752,466
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	(274,257)	1,002,007	22,845
29	E353	100143	Station Equipment	31,157,075	(8,339,518)	22,817,557	716,613
30	E354	100147	Towers & Fixtures	22,781,417	(4,958,160)	17,823,257	430,569
31	E355	100649	Poles & Fixtures	204,200	(40,881)	163,319	5,268
32	E356	100164	OH Conductors & Devices	23,458,256	(6,895,149)	16,563,107	609,915
33	E356	100437	OH Conductors & Devices	206	(32)	174	5
34	E359	100174	Roads & Trails	59,215	(6,495)	52,720	628
35		TOTAL 3RD NW-SW INTERTIE		80,705,811	(20,514,492)	60,191,319	1,785,843
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	(956,614)	4,787,483	106,840
40	E355	100878	Poles & Fixtures-Whatcom	11,219	(3,305)	7,914	289
41	E356	100877	OH Conductors & Devices-Whatcom	7,460,099	(1,672,921)	5,787,178	193,963
42	E355	100647	Poles & Fixtures-Skagit	3,398,685	(767,764)	2,630,921	87,686
43	E356	100648	OH Conductors & Devices-Skagit	5,142,699	(1,020,137)	4,122,562	133,710
44		TOTAL NORTHERN INTERTIE		21,787,403	(4,420,741)	17,366,662	522,488
45							
46							
47		Total Transmission		\$ 192,645,981	\$ (71,010,459)	\$ 121,635,522	\$ 4,861,051
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

Exhibit A-3 Colstrip Fixed Costs

Exhibit No. (JHS-9C)

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Row	Revenue Requirement for Colstrip		
3	Plant	685,685,332	
4	Accumulated Depreciation	(390,462,218)	
5	Deferred Taxes - AMA 9/30/2005	(65,389,156)	
6	Net Plant	229,833,958	
7	Rate of Return (net of Tax)	7.57%	A-3 Page 1
8	Revenue Requirement after tax	17,398,431 (Line 6 X Line 7)	
9	Plant Revenue Requirement	26,766,816 (Adjusted for Federal Tax) (Line 8 X (1 - 35%))	35.00%
10	Expenses	55,944,269	
11	Total Revenue Requirement	82,711,085 (before revenue sensitive items)	

Support for Revenue Requirement - Ratebase

14	FERC	DESCRIPTION	2004/Sep	2005 Sep	13 MONTH AMA	ANNUITY RATE	ANNUALIZED DEPRECIATION	ACUMM. DEPR. 09/30/2005
15		COLSTRIP #1						
16	E311	Structures & Improvements	7,404,108	7,372,745	7,379,192	3.03%	223,590	(4,421,280)
17	E312	Boiler Plant Equipment	52,330,034	58,845,150	54,774,956	3.12%	1,708,979	(36,229,045)
18	E314	Turbo Generating Units	14,755,278	14,969,912	14,892,838	3.29%	489,974	(9,142,691)
19	E315	Accessory Electric Equipment	7,152,369	7,153,656	7,153,283	2.71%	193,854	(5,233,999)
20	E316	Misc. Power Plant Equipment	496,853	537,632	526,541	3.87%	20,377	(298,785)
21		TOTAL	82,138,642	88,879,094	84,726,810	3.11%	2,636,774	(55,325,800)
22		COLSTRIP #2						
23	E311	Structures & Improvements	5,730,076	5,727,592	5,728,023	3.06%	175,278	(4,045,437)
24	E312	Boiler Plant Equipment	46,840,522	46,553,042	46,537,700	3.05%	1,419,400	(30,518,549)
25	E314	Turbo Generating Units	14,480,769	14,323,040	14,314,565	3.26%	466,655	(8,318,739)
26	E315	Accessory Electric Equipment	5,304,326	5,061,164	5,111,718	2.69%	137,505	(3,107,857)
27	E316	Misc. Power Plant Equipment	518,105	562,410	550,585	3.61%	19,876	(298,108)
28		TOTAL	72,873,798	72,227,249	72,242,591	3.07%	2,218,714	(46,288,690)
29		COLSTRIP 1 & 2 COMMON						
30	E311	Structures & Improvements	31,473,984	31,359,809	31,383,595	3.16%	991,722	(22,516,690)
31	E312	Boiler Plant Equipment	8,354,764	8,030,614	8,098,146	3.18%	257,521	(6,033,870)
32	E314	Turbo Generating Units	3,918,858	3,918,858	3,918,858	3.31%	129,714	(2,914,004)
33	E315	Accessory Electric Equipment	2,420,179	2,379,882	2,388,277	3.07%	73,320	(1,595,736)
34	E316	Misc. Power Plant Equipment	6,365,234	6,365,234	6,365,234	3.82%	243,152	(4,001,768)
35	E317	Asset Retirement Obligation	540,097	540,097	540,097	0.00%	-	(401,214)
36		TOTAL	53,073,116	52,594,494	52,694,207	3.22%	1,695,429	(37,463,282)
37		COLSTRIP 3						
38	E311	Structures & Improvements	28,988,443	28,976,803	28,979,169	2.45%	709,990	(17,082,932)
39	E312	Boiler Plant Equipment	119,104,734	120,861,355	119,259,726	2.68%	3,196,161	(72,579,648)
40	E314	Turbo Generating Units	37,846,094	38,223,363	38,124,264	2.97%	1,132,291	(18,249,215)
41	E315	Accessory Electric Equipment	6,466,260	6,466,260	6,466,260	2.47%	159,717	(3,543,352)
42	E316	Misc. Power Plant Equipment	502,407	531,119	523,297	2.86%	14,966	(261,991)
43		TOTAL	192,907,938	195,058,900	193,352,716	2.70%	5,213,125	(111,717,138)
44		COLSTRIP 4						
45	E311	Structures & Improvements	26,558,346	26,546,706	26,549,072	2.54%	674,346	(14,408,437)
46	E312	Boiler Plant Equipment	105,422,962	105,620,134	105,567,131	2.75%	2,903,096	(55,979,740)
47	E314	Turbo Generating Units	32,479,545	33,040,130	32,872,602	2.94%	966,454	(14,524,657)
48	E315	Accessory Electric Equipment	5,660,702	5,660,702	5,660,702	2.52%	142,650	(2,761,989)
49	E316	Misc. Power Plant Equipment	700,012	728,727	720,904	2.79%	20,113	(354,593)
50		TOTAL	170,821,567	171,596,400	171,370,411	2.75%	4,706,659	(88,029,417)
51		COLSTRIP 3 & 4 COMMON						
52	E311	Structures & Improvements	70,723,992	70,625,143	70,674,528	2.33%	1,646,717	(41,266,676)
53	E312	Boiler Plant Equipment	20,359,928	19,413,895	19,610,986	2.48%	486,352	(11,412,510)
54	E314	Turbo Generating Units	277,420	277,420	277,420	2.62%	7,268	(156,203)
55	E315	Accessory Electric Equipment	7,748,971	7,669,926	7,686,394	2.31%	177,556	(4,098,397)
56	E316	Misc. Power Plant Equipment	4,725,430	4,725,430	4,725,430	2.79%	131,839	(2,420,718)
57	E317	Asset Retirement Obligation	333,978	333,978	333,978	0.00%	-	(197,349)
58		TOTAL	104,169,719	103,045,792	103,308,736	2.37%	2,449,732	(59,551,852)
59		COLSTRIP 1-4 COMMON						
60	E316	Misc. Power Plant Equip.	251,534	251,534	251,534	2.46%	6,188	(149,670)
61		TOTAL	251,534	251,534	251,534	2.46%	6,188	(149,670)
62								
63		Subtotal before Colstrip FERC Adjustments (Line 63 + 65)	676,236,313	683,653,463	677,947,005	2.79%	18,926,621	(398,525,849)
64		ARO - Electric Colstrip 1-4 (Acct: 23001021 - 1031) Adj (AMA is Net of Accum. Amort.)			(1,741,100)		(61,406)	
65		Colstrip Common FERC Adj. (AMA is Net of Accum. Amort.)			6,809,639		354,669	
66		Colstrip Def Depr FERC Adj. (AMA is Net of Accum. Amort.)			2,669,788		104,311	
67		Total Plant and Acc. Deprec.			685,685,332	2.82%	19,324,194	(398,525,849)
68								
69		AMA Adj. to Accum Depr.						8,063,631
70		Totals			685,685,332	2.82%	19,324,194	(390,462,218)

ROW **Exhibit A-3 Colstrip Fixed Costs**

82 Support for Revenue Requirement - Expenses

Order	Description	Amount before Prod. Adj.
85 50004011	1&2 Sup & Eng - Steam Ope	XXXXXX
86 50004012	1&2 Sup & Eng - Steam Ope	XXXXXX
87 50005011	3&4 Sup & Eng - Steam Ope	XXXXXX
88 50005012	3&4 Sup & Eng - Steam Ope	XXXXXX
89 50204001	1&2 Steam Exp - Steam Gen Op	XXXXXX
90 50205001	3&4 Steam Exp - Steam Gen Op	XXXXXX
91 50504001	1&2 Elec Exp - Steam Gen	XXXXXX
92 50505001	3&4 Elec Exp - Steam Gen	XXXXXX
93 50604001	1&2 Misc Exp - Steam Gen	XXXXXX
94 50605001	3&4 Misc Exp - Steam Gen	XXXXXX
95 50605002	3&4 Steam - Housing	XXXXXX
96 50704001	1&2 Rents - Steam Gen Oper	XXXXXX
97 50705001	3&4 Rents - Steam Gen Oper	XXXXXX
98 51004001	1&2 Maint Supv - Steam Gen	XXXXXX
99 51005001	3&4 Maint Supv - Steam Gen	XXXXXX
100 51104001	1&2 Maint of Struct - Stm Gen	XXXXXX
101 51105001	3&4 Maint of Struct - Stm Gen	XXXXXX
102 51204001	1&2 Maint of Boiler - Stm Gen	XXXXXX
103 51205001	3&4 Maint of Boiler - Stm Gen	XXXXXX
104 51304001	1&2 Maint of E Plant - Stm G	XXXXXX
105 51305001	3&4 Maint of E Plant - Stm G	XXXXXX
106 51404001	1&2 Maint of Misc - Stm Gen	XXXXXX
107 51405001	3&4 Maint of Misc - Stm Gen	XXXXXX
108	Subtotal on Orders	25,691,710
109	Property Taxes-Montana	9,208,529
110	Electric Energy Tax	1,719,835
111 403xxxxx	Depreciation	19,324,194
112		<u>\$ 55,944,269</u>

**REDACTED
VERSION**

**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	<u>345,024</u>	<u>(3,074)</u>	<u>1,076</u>
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	<u>17,378,759</u>	<u>(154,845)</u>	<u>54,196</u>
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	<u>3,057,031</u>	<u>(27,238)</u>	<u>9,533</u>
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)	<u>68,688,127</u>	<u>(612,011)</u>	<u>175,136</u>
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	<u>15,056,901</u>	<u>(134,157)</u>	<u>46,955</u>
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	<u>\$ 30,298,349</u>	<u>\$ (269,958)</u>	<u>\$ 94,486</u>
37	INCREASE(DECREASE) EXPENSE		(1,201,284)	
38	INCREASE(DECREASE) FIT			<u>381,382</u>
39	INCREASE(DECREASE) NOI			<u>\$ 819,902</u>
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	<u>1,139,060,099</u>	<u>(10,149,025)</u>	
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	<u>(127,359,896)</u>	<u>1,134,777</u>	
55				
56	ADJUSTMENT TO PRODUCTION RATE BASE	<u>\$ 1,011,700,203</u>	<u>\$ (9,014,249)</u>	<u>\$ 1,002,685,955</u>
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	<u>\$ 232,102,317</u>	<u>\$ (2,068,032)</u>	<u>\$ 230,034,285</u>
68				
69	TOTAL ADJUSTMENT TO RATEBASE (LINE 56 + LINE 67)		\$ (11,082,282)	

**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 POINT 2	-	(11,786,042)	(11,786,042)
13 SUBTOTAL PURCHASED AND INTERCHANGE	\$ 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 INCOME	\$ (599,011,855)	\$ (898,010,179)	\$ (298,998,324)
23			
24 REDUCTION TO STATE UTILITY TAX SAVING	3.85%		(37,225)
25 INCREASE (DECREASE) INCOME			\$ (298,961,099)
26 INCREASE (DECREASE) FIT @	35%		(104,636,385)
27 INCREASE (DECREASE) NOI			<u>\$ (194,324,715)</u>

Exhibit D: Regulatory Assets and Liabilities

PCA PERIODS - FILED WITH THE 2006 GRC

Ref	Description	12 Months Ended December 31		PCA Periods - 12 Months Ended June 30 and / or December 31					
		Asset Amort	Balance net of AA	Asset Amort	AMA Ratebase Net of DFIT	As of	A.T. %	Return After Tax	Return Pre Tax
8									
9	Cabot Buyout								
10	Beginning \$		14,565,000						
11	Dec 2000 \$	(312,000)	14,253,000						
12	Dec 2001 \$	(741,000)	13,512,000						
13	Dec 2002 \$	(1,070,000)	12,442,000						
14	Dec 2003 \$	(1,409,000)	11,033,000						
15	Dec 2004 \$	(1,768,000)	9,265,000						
16	Dec 2005 \$	(2,163,000)	7,102,000						
17	Dec 2006 \$	(2,614,000)	4,488,000	(2,388,500)	5,766,541	6/06	7.01%	404,235	621,899
18				(1,307,000)	4,842,106	12/06	7.01%	169,716	261,101
19	Dec 2007 \$	(3,078,000)	1,410,000	(3,078,000)	2,823,371	12/07	7.57%	213,729	328,814
20	Dec 2008 \$	(1,410,000)	-	(1,410,000)	687,449	12/08	7.57%	52,040	80,061
23									
24									
25	Tenaska								
26	Beginning \$		215,000,000						
27	Dec 1998 \$	(1,952,000)	221,802,000						
28	Dec 1999 \$	(3,863,000)	226,734,000						
29	Dec 2000 \$	(5,463,000)	230,120,000						
30	Dec 2001 \$	(7,382,000)	231,576,000						
31	Dec 2002 \$	(9,494,000)	228,644,000						
32	Dec 2003 \$	(11,924,000)	216,720,000						
33	Dec 2004 \$	(14,744,000)	201,976,000						
34	Dec 2005 \$	(17,908,000)	184,068,000						
35	Dec 2006 \$	(20,615,000)	163,453,000	(19,261,500)	174,037,125	6/06	7.01%	12,200,002	18,769,235
36				(10,307,500)	164,680,500	12/06	7.01%	5,772,052	8,880,079
37	Dec 2007 \$	(24,343,000)	139,110,000	(24,343,000)	142,925,000	12/07	7.57%	10,819,423	16,645,265
38	Dec 2008 \$	(28,272,000)	110,838,000	(28,272,000)	118,181,500	12/08	7.57%	8,946,340	13,763,599
39	Dec 2009 \$	(32,676,000)	78,162,000	(32,676,000)	89,519,500	12/09	7.57%	6,776,626	10,425,579
40	Dec 2010 \$	(37,533,000)	40,629,000	(37,533,000)	56,502,000	12/10	7.57%	4,277,201	6,580,310
41	Dec 2011 \$	(40,629,000)	-	(40,629,000)	19,647,750	12/11	7.57%	1,487,335	2,288,207
42	Dec 2012 \$	-	-	-	-	12/12	7.57%	-	-
43	Dec 2013 \$	-	-	-	-	12/13	7.57%	-	-
44									
45									

(Note 1)

G/L Accts #18230171,19000121 and #28300461 and Order #54756002, 54756012

G/L Accts #18230001 and #28300451 and Order #55500423

Exhibit D: Regulatory Assets and Liabilities

PCA PERIODS - FILED WITH THE 2006 GRC

Ref	Description	12 Months Ended December 31		PCA Periods - 12 Months Ended June 30 and / or December 31						
		Asset Amort	Balance net of AA	Asset Amort	AMA Ratebase Net of DFIT	As of	A.T. %	Return After Tax	Return Pre Tax	
82										
83	White River Plant Costs									
84	Beginning	\$	47,882,224							
85	Dec 2004	\$	(1,494,702)							
86	Dec 2005	\$	(1,494,702)							
87	Dec 2006	\$	(1,494,702)	(1,494,702)	40,834,092	6/06	7.01%	2,862,470	4,403,800	
88				(747,351)	40,229,603	12/06	7.01%	1,410,048	2,169,304	
89	Dec 2007	\$	(1,494,702)	(1,494,702)	39,052,307	12/07	7.57%	2,956,260	4,548,092	
90	Dec 2008	\$	(1,494,702)	(1,494,702)	37,907,451	12/08	7.57%	2,869,594	4,414,760	
91	Dec 2009	\$	(1,494,702)	(1,494,702)	36,762,057	12/09	7.57%	2,782,888	4,281,366	
92	Dec 2010	\$	(1,494,702)	(1,494,702)	35,644,106	12/10	7.57%	2,698,259	4,151,167	
93	Dec 2011	\$	(1,494,702)	(1,494,702)	34,533,160	12/11	7.57%	2,614,160	4,021,785	
94										
95										
96	Canwest Liability									
97	Beginning	\$	-							
98	Dec 2004	\$	(1,503,528)							
99	Dec 2005	\$	632,917							
100	Dec 2006	\$	3,797,503	(5,696,254)	2,215,210	(5,490,031)	6/06	7.01%	(384,851)	(592,079)
101					1,898,751	(4,936,754)	12/06	7.01%	(173,033)	(266,205)
102	Dec 2007	\$	3,797,503	(1,898,751)	3,797,503	(2,468,377)	12/07	7.57%	(186,856)	(287,471)
103	Dec 2008	\$	1,898,751	-	1,898,751	(308,547)	12/08	7.57%	(23,357)	(35,934)
104	Dec 2009	\$	-	-	-	-	12/09	7.57%	-	-
105										
106										
107	Hopkins Ridge									
108	Beginning	\$	10,750,000							
109	Dec 2005	\$	-	10,750,000						
110	Dec 2006	\$	(1,194,328)	9,555,672	(411,866)	6,662,434	6/06	7.01%	276,383	425,205
111					(782,461)	10,293,120	12/06	7.01%	360,774	555,037
112	Dec 2007	\$	(1,653,530)	7,902,142	(1,653,530)	8,742,500	12/07	7.57%	661,807	1,018,165
113	Dec 2008	\$	(1,816,192)	6,085,951	(1,816,192)	7,008,603	12/08	7.57%	530,551	816,233
114	Dec 2009	\$	(1,990,698)	4,095,253	(1,990,698)	5,106,186	12/09	7.57%	386,538	594,674
115	Dec 2010	\$	(2,177,843)	1,917,410	(2,177,843)	3,023,011	12/10	7.57%	228,842	352,065
116	Dec 2011	\$	(1,917,410)	-	(1,917,410)	790,244	12/11	7.57%	59,822	92,033
117										

(Note 1)

G/L Accts #18220011, #18220021, #18220031, #18220041 and #18220051 and Order #40700015
DFIT included in 28200121

G/L Accts #25400021, #14300061 and 19000451 and Order # 54756014

G/L Accts #18230231, Order #56500101

Exhibit D: Regulatory Assets and Liabilities
PCA PERIODS - FILED WITH THE 2006 GRC

Ref	Description	12 Months Ended December 31		PCA Periods - 12 Months Ended June 30 and / or December 31					
		Asset Amort	Balance net of AA	Asset Amort	AMA Ratebase Net of DFIT	As of	Return		
							A.T. %	After Tax	Pre Tax
(Note 1)									
118									
119									
120									
121	Total all Regulatory Assets and Liabilities				AMA Ratebase		Pre-Tax Return		
122	Period	From	To	Asset Amort	Net of DFIT	As of	A.T. %	Amount	Monthly
123									
124	PCA 4	Jul-05	Jun-06	(24,867,978)	278,921,461	6/06	7.01%	29,787,294	2,482,274
125	PCA 4-5	Jul-06	Dec-06	(13,008,871)	270,919,815	12/06	7.01%	14,608,830	1,217,403
126	PCA 5	Jan-07	Dec-07	(30,298,349)	232,100,683	12/07	7.57%	27,030,803	2,252,567
127	PCA 6	Jan-08	Dec-08	(34,620,762)	202,103,718	12/08	7.57%	23,537,310	1,961,442
128	PCA 7	Jan-09	Dec-09	(39,688,019)	167,616,385	12/09	7.57%	19,520,862	1,626,739
129	PCA 8	Jan-10	Dec-10	(44,732,165)	128,999,139	12/10	7.57%	15,023,438	1,251,953
130	PCA 9	Jan-11	Dec-11	(47,567,732)	86,402,556	12/11	7.57%	10,062,575	838,548
131									
132									

Note (1) Amounts in these columns are net of accumulated amortization AND the associated Deferred FIT liability / asset. DFIT balances are end of period balances through December 2006 and average of the monthly averages thereafter.

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