

**EXHIBIT NO. \_\_\_(JKP-7)  
DOCKET NO. UE-11\_\_\_/UG-11\_\_\_  
2011 PSE GENERAL RATE CASE  
WITNESS: JANET K. PHELPS**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY, INC.,**

**Respondent.**

**Docket No. UE-11\_\_\_  
Docket No. UG-11\_\_\_**

**SIXTH EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED DIRECT TESTIMONY OF  
JANET K. PHELPS  
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**JUNE 13, 2011**

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Historical Test Year - Margin	Direct Input - Margin	Common Allocation - Margin	Pro Forma Adjustments - Margin Only	Proforma Adjustments - Gas Costs Only	Revenue Change - Margin Only	Revenue Change - Gas Only	Total Revenue Change	Adjusted Test Year
<b>RATE BASE</b>											
<b>Plant-in-Service</b>											
<b>Intangible Plant</b>											
301.0	Organization	158,692	158,692	158,692						-	158,692
302.0	Franchise and Consents	165,916	165,916	165,916						-	165,916
303.0	Misc. Intangible	69,760,300	69,760,300	69,760,300						-	69,760,300
	<b>Sub-total</b>	<b>70,084,907</b>	<b>70,084,907</b>	<b>70,084,907</b>	-	-	-	-	-	-	<b>70,084,907</b>
<b>Production and Gathering Plant</b>											
304.0	Land and Land Rights	153,211	153,211	153,211						-	153,211
305.0	Structures and Improvements	508,737	508,737	508,737						-	508,737
311.0	Liquefied Petroleum Gas Equipment	6,099,978	6,099,978	6,099,978						-	6,099,978
320.0	Other Equipment	4,853	4,853	4,853						-	4,853
	<b>Sub-total</b>	<b>6,766,779</b>	<b>6,766,779</b>	<b>6,766,779</b>	-	-	-	-	-	-	<b>6,766,779</b>
<b>Natural Gas Underground Storage</b>											
	JP Storage Balancing - DIR	8,062,023	8,062,023	8,062,023						-	8,062,023
350.0	Land and Land Rights	376,346	376,346	376,346						-	376,346
351.0	Structures and Improvements	553,389	553,389	553,389						-	553,389
352.0	Wells	13,182,752	13,182,752	13,182,752						-	13,182,752
353.0	Lines	2,066,943	2,066,943	2,066,943						-	2,066,943
354.0	Compressor Equipment	13,364,895	13,364,895	13,364,895						-	13,364,895
355.0	Measuring and Regulating Equipment	373,562	373,562	373,562						-	373,562
356.0	Purification Equipment	2,112,640	2,112,640	2,112,640						-	2,112,640
357.0	Other Equipment	217,563	217,563	217,563						-	217,563
	<b>Sub-total</b>	<b>40,310,113</b>	<b>40,310,113</b>	<b>40,310,113</b>	-	-	-	-	-	-	<b>40,310,113</b>
<b>Natural Gas Local Storage</b>											
360.0	Land & Land Rights	1,704,569	1,704,569	1,704,569						-	1,704,569
361.0	Structures & improvement	3,973,839	3,973,839	3,973,839						-	3,973,839
362.0	Gas Holders	3,683,221	3,683,221	3,683,221						-	3,683,221
363.0	Purification Equipment	3,978,020	3,978,020	3,978,020						-	3,978,020
364.0	Terminating & Processing	970,581	970,581	970,581						-	970,581
	<b>Sub-total</b>	<b>14,310,230</b>	<b>14,310,230</b>	<b>14,310,230</b>	-	-	-	-	-	-	<b>14,310,230</b>

**Puget Sound Energy  
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Line	Account Description	Proposed Test Year With Gas	Historical Test Year - Margin	Direct Input - Margin	Common Allocation - Margin	Pro Forma Adjustments - Margin Only	Proforma Adjustments - Gas Costs Only	Revenue Change - Margin Only	Revenue Change - Gas Only	Total Revenue Change	Adjusted Test Year
<b>Distribution Plant</b>											
373.0	Easements	-	-	-						-	-
374.0	Land and Land Rights	14,122,702	14,122,702	14,122,702						-	14,122,702
375.0	Structures and Improvements	8,331,609	8,331,609	8,331,609						-	8,331,609
376.0	Mains	1,340,632,646	1,340,632,646	1,340,632,646						-	1,340,632,646
378.0	Meas. & Reg. Station Equip.- Gen.	86,726,307	86,726,307	86,726,307						-	86,726,307
380.0	Services	709,808,210	709,808,210	709,808,210						-	709,808,210
380.0	Services - DIR	2,784,248	2,784,248	2,784,248						-	2,784,248
381.0	Meters	62,021,599	62,021,599	62,021,599						-	62,021,599
382.0	Meter Installations	135,654,228	135,654,228	135,654,228						-	135,654,228
383.0	House Regulators	13,820,462	13,820,462	13,820,462						-	13,820,462
384.0	House Regulators Installations	74,251,826	74,251,826	74,251,826						-	74,251,826
385.0	Indust. Meas. & Reg. Station Equip.	38,752,669	38,752,669	38,752,669						-	38,752,669
386.0	Rental Property on Customers Premise	35,918,724	35,918,724	35,918,724						-	35,918,724
387.0	Other Equipment	4,064,498	4,064,498	4,064,498						-	4,064,498
388.0	ARO	6,637,888	6,637,888	6,637,888						-	6,637,888
	<b>Sub-total</b>	<b>2,533,527,616</b>	<b>2,533,527,616</b>	<b>2,533,527,616</b>	-	-	-	-	-	-	<b>2,533,527,616</b>
<b>General Plant</b>											
389.0	Land and Land Rights	10,899,036	10,899,036	10,899,036						-	10,899,036
390.0	Structures and Improvements	50,240,751	50,240,751	50,240,751						-	50,240,751
391.0	Office Furniture and Equipment	30,970,347	30,970,347	30,970,347						-	30,970,347
392.0	Transportation Equipment	8,023,290	8,023,290	8,023,290						-	8,023,290
393.0	Stores Equipment	75,451	75,451	75,451						-	75,451
394.0	Tools, Shop, and Garage Equipment	9,550,743	9,550,743	9,550,743						-	9,550,743
395.0	Laboratory Equipment	2,522,747	2,522,747	2,522,747						-	2,522,747
396.0	Power Operated Equipment	614,889	614,889	614,889						-	614,889
397.0	Communication Equipment	16,431,223	16,431,223	16,431,223						-	16,431,223
398.0	Misc. Equipment	345,285	345,285	345,285						-	345,285
399.0	Other Intangible Property	(644)	(644)	(644)						-	(644)
	<b>Sub-total</b>	<b>129,673,118</b>	<b>129,673,118</b>	<b>129,673,118</b>	-	-	-	-	-	-	<b>129,673,118</b>
	<b>TOTAL PLANT-IN-SERVICE</b>	<b>2,794,672,762</b>	<b>2,794,672,762</b>	<b>2,794,672,762</b>	-	-	-	-	-	-	<b>2,794,672,762</b>

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Historical Test Year - Margin	Direct Input - Margin	Common Allocation - Margin	Pro Forma Adjustments - Margin Only	Proforma Adjustments - Gas Costs Only	Revenue Change - Margin Only	Revenue Change - Gas Only	Total Revenue Change	Adjusted Test Year
<b>Accumulated Reserve</b>											
<b>Intangible Plant</b>											
301.0	Organization	-	-	-						-	-
302.0	Franchise and Consents	(42,907)	(42,907)	(42,907)						-	(42,907)
303.0	Misc. Intangible	(50,037,361)	(50,037,361)	(50,037,361)						-	(50,037,361)
	<b>Sub-total</b>	<b>(50,080,268)</b>	<b>(50,080,268)</b>	<b>(50,080,268)</b>	-	-	-	-	-	-	<b>(50,080,268)</b>
<b>Production and Gathering Plant</b>											
304.0	Land and Land Rights	-	-	-						-	-
305.0	Structures and Improvements	(472,906)	(472,906)	(472,906)						-	(472,906)
311.0	Liquefied Petroleum Gas Equipment	(5,420,027)	(5,420,027)	(5,420,027)						-	(5,420,027)
320.0	Other Equipment	(756)	(756)	(756)						-	(756)
	<b>Sub-total</b>	<b>(5,893,689)</b>	<b>(5,893,689)</b>	<b>(5,893,689)</b>	-	-	-	-	-	-	<b>(5,893,689)</b>
<b>Natural Gas Underground Storage</b>											
	JP Storage Balancing - DIR	(3,078,019)	(3,078,019)	(3,078,019)						-	(3,078,019)
350.0	Land and Land Rights	-	-	-						-	-
351.0	Structures and Improvements	(325,175)	(325,175)	(325,175)						-	(325,175)
352.0	Wells	(7,025,695)	(7,025,695)	(7,025,695)						-	(7,025,695)
353.0	Lines	(1,037,414)	(1,037,414)	(1,037,414)						-	(1,037,414)
354.0	Compressor Equipment	(3,464,719)	(3,464,719)	(3,464,719)						-	(3,464,719)
355.0	Measuring and Regulating Equipment	206,720	206,720	206,720						-	206,720
356.0	Purification Equipment	(598,068)	(598,068)	(598,068)						-	(598,068)
357.0	Other Equipment	(67,725)	(67,725)	(67,725)						-	(67,725)
	<b>Sub-total</b>	<b>(15,390,095)</b>	<b>(15,390,095)</b>	<b>(15,390,095)</b>	-	-	-	-	-	-	<b>(15,390,095)</b>
<b>Natural Gas Local Storage</b>											
360.0	Land & Land Rights	-	-	-						-	-
361.0	Structures & improvement	(715,927)	(715,927)	(715,927)						-	(715,927)
362.0	Gas Holders	(479,948)	(479,948)	(479,948)						-	(479,948)
363.0	Purification Equipment	(948,122)	(948,122)	(948,122)						-	(948,122)
364.0	Terminating & Processing	(389,209)	(389,209)	(389,209)						-	(389,209)
	<b>Sub-total</b>	<b>(2,533,206)</b>	<b>(2,533,206)</b>	<b>(2,533,206)</b>	-	-	-	-	-	-	<b>(2,533,206)</b>

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Historical Test Year - Margin	Direct Input - Margin	Common Allocation - Margin	Pro Forma Adjustments - Margin Only	Proforma Adjustments - Gas Costs Only	Revenue Change - Margin Only	Revenue Change - Gas Only	Total Revenue Change	Adjusted Test Year
<b>Distribution Plant</b>											
373.0	Easements	-	-	-						-	-
374.0	Land and Land Rights	(746,929)	(746,929)	(746,929)						-	(746,929)
375.0	Structures and Improvements	(3,518,158)	(3,518,158)	(3,518,158)						-	(3,518,158)
376.0	Mains	(389,908,287)	(389,758,020)	(389,758,020)		(150,267)				-	(389,908,287)
378.0	Meas. & Reg. Station Equip.- Gen.	(16,662,552)	(16,662,552)	(16,662,552)						-	(16,662,552)
380.0	Services	(300,374,793)	(300,374,793)	(300,374,793)						-	(300,374,793)
380.0	Services - DIR	(1,178,231)	(1,178,231)	(1,178,231)						-	(1,178,231)
381.0	Meters	(18,248,898)	(18,248,898)	(18,248,898)						-	(18,248,898)
382.0	Meter Installations	(27,504,494)	(27,504,494)	(27,504,494)						-	(27,504,494)
383.0	House Regulators	(5,791,718)	(5,791,718)	(5,791,718)						-	(5,791,718)
384.0	House Regulators Installations	(13,815,099)	(13,815,099)	(13,815,099)						-	(13,815,099)
385.0	Indust. Meas. & Reg. Station Equip.	(9,630,089)	(9,630,089)	(9,630,089)						-	(9,630,089)
386.0	Rental Property on Customers Premise	(31,787,582)	(29,356,233)	(29,356,233)		(2,431,349)				-	(31,787,582)
387.0	Other Equipment	(728,720)	(728,720)	(728,720)						-	(728,720)
388.0	ARO	(6,482,969)	(6,482,969)	(6,482,969)						-	(6,482,969)
	<b>Sub-total</b>	<b>(826,378,520)</b>	<b>(823,796,904)</b>	<b>(823,796,904)</b>	-	<b>(2,581,616)</b>	-	-	-	-	<b>(826,378,520)</b>
<b>General Plant</b>											
389.0	Land and Land Rights	(118)	(118)	(118)						-	(118)
390.0	Structures and Improvements	(14,268,208)	(14,268,208)	(14,268,208)						-	(14,268,208)
391.0	Office Furniture and Equipment	(4,336,082)	(4,174,309)	(4,174,309)		(161,773)				-	(4,336,082)
392.0	Transportation Equipment	(1,026,030)	(1,026,030)	(1,026,030)						-	(1,026,030)
393.0	Stores Equipment	(16,974)	(16,974)	(16,974)						-	(16,974)
394.0	Tools, Shop, and Garage Equipment	(3,913,075)	(3,913,075)	(3,913,075)						-	(3,913,075)
395.0	Laboratory Equipment	(337,883)	(337,883)	(337,883)						-	(337,883)
396.0	Power Operated Equipment	(420,993)	(420,993)	(420,993)		-				-	(420,993)
397.0	Communication Equipment	(3,048,996)	(3,036,820)	(3,036,820)		(12,176)				-	(3,048,996)
398.0	Misc. Equipment	(33,557)	(33,557)	(33,557)						-	(33,557)
399.0	Other Intangible Plant	(3,991)	(3,991)	(3,991)						-	(3,991)
	<b>Sub-total</b>	<b>(27,405,906)</b>	<b>(27,231,957)</b>	<b>(27,231,957)</b>	-	<b>(173,949)</b>	-	-	-	-	<b>(27,405,906)</b>
<b>Other Assets</b>											
108.0	Retirement Work in Progress	888,023	888,023	888,023						-	888,023
230.0	Asset Retirement Obligations	(3,532,312)	(3,532,312)	(3,532,312)						-	(3,532,312)
253.0	Landlord Incentives	(3,381,605)	(3,381,605)	(3,381,605)						-	(3,381,605)
182.3	Gas Rental Equip & Pipe	152,614	152,614	152,614						-	152,614
	Other	-	-	-						-	-
	<b>Sub-total</b>	<b>(5,873,281)</b>	<b>(5,873,281)</b>	<b>(5,873,281)</b>	-	-	-	-	-	-	<b>(5,873,281)</b>
	<b>TOTAL ACCUMULATED RESERVE</b>	<b>(933,554,964)</b>	<b>(930,799,399)</b>	<b>(930,799,399)</b>	-	<b>(2,755,565)</b>	-	-	-	-	<b>(933,554,964)</b>
<b>Rate Base Adjustments and Working Capital</b>											
<b>Other Rate Base</b>											
n/a	Customer Advances for Construction	(31,761,381)	(31,761,381)	(31,761,381)						-	(31,761,381)
n/a	Gas Stored Underground - Non current	7,815,443	7,815,443	7,815,443						-	7,815,443
n/a	CIAC - Accum. Def. FIT.	5,164,894	5,164,894	5,164,894						-	5,164,894
n/a	Customer Deposit	(8,348,081)	(8,348,081)	(8,348,081)						-	(8,348,081)
n/a	Liberalized Depr.Tot. Accum. Def. FIT	(254,530,105)	(254,856,083)	(254,856,083)		325,978				-	(254,530,105)
n/a	Allowance for Working Capital	78,846,956	78,846,956	78,846,956						-	78,846,956
	<b>Total Other Rate Base</b>	<b>(202,812,274)</b>	<b>(203,138,252)</b>	<b>(203,138,252)</b>	-	<b>325,978</b>	-	-	-	-	<b>(202,812,274)</b>
	<b>TOTAL RATE BASE</b>	<b>1,658,305,524</b>	<b>1,660,735,111</b>	<b>1,660,735,111</b>	-	<b>(2,429,587)</b>	-	-	-	-	<b>1,658,305,524</b>

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Historical Test Year - Margin	Direct Input - Margin	Common Allocation - Margin	Pro Forma Adjustments - Margin Only	Proforma Adjustments - Gas Costs Only	Revenue Change - Margin Only	Revenue Change - Gas Only	Total Revenue Change	Adjusted Test Year
<b>EXPENSES</b>											
<b>O &amp; M Expenses</b>											
<b>Production Expense</b>											
710.0	Oper. Supervision and Engineering	-	-	-	-	-	-	-	-	-	-
717.0	LPG Expenses	225,118	220,398	220,398	-	4,720	-	-	-	-	225,118
735.0	Misc. Production Expenses	-	-	-	-	-	-	-	-	-	-
741.0	Main. Structures and Improvements	788	788	788	-	-	-	-	-	-	788
742.0	Maintenance of Production Equipment	37	37	37	-	-	-	-	-	-	37
	<b>Sub-total</b>	<b>225,944</b>	<b>221,224</b>	<b>221,224</b>	<b>-</b>	<b>4,720</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>225,944</b>
<b>Other Gas Supply Expenses</b>											
804.0	Natural Gas Purchases - City Gate	644,414,550	-	-	-	-	644,414,550	-	-	-	644,414,550
805.0	Other Gas Purchases	(15,209,702)	-	-	-	-	(15,209,702)	-	-	-	(15,209,702)
805.1	Purchased Gas Cost Adjustment	(34,268,471)	-	-	-	-	(34,268,471)	-	-	-	(34,268,471)
807.2	Oper. of Purch. Gas Measuring Sta.	493,587	487,248	487,248	-	6,338	-	-	-	-	493,587
807.4	Purch. Gas Calculation Exp.	308,301	301,863	301,863	-	6,437	-	-	-	-	308,301
808.1	Gas Withdrawn From Storage	81,633,964	-	-	-	-	81,633,964	-	-	-	81,633,964
808.2	Gas Delivered to Storage	(75,635,247)	-	-	-	-	(75,635,247)	-	-	-	(75,635,247)
812.0	Gas Used for Other Utility Operations	(133,461)	(133,461)	(133,461)	-	-	-	-	-	-	(133,461)
	<b>Sub-total</b>	<b>601,603,521</b>	<b>655,651</b>	<b>655,651</b>	<b>-</b>	<b>12,776</b>	<b>600,935,094</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>601,603,521</b>
<b>Underground Storage Expenses</b>											
	JP Storage Balancing - DIR	161,238	158,079	158,079	-	3,159	-	-	-	-	161,238
814.0	Operation Supv & Eng	113,185	111,042	111,042	-	2,143	-	-	-	-	113,185
815.0	Oper Map & Records	-	-	-	-	-	-	-	-	-	-
816.0	Oper Wells Expense	8,498	8,498	8,498	-	-	-	-	-	-	8,498
817.0	Oper Lines Expense	1,587	1,587	1,587	-	-	-	-	-	-	1,587
818.0	Oper Compressor Sta Exp	117,402	113,599	113,599	-	3,803	-	-	-	-	117,402
819.0	Oper Compressor Sta Fuel	22,638	22,638	22,638	-	-	-	-	-	-	22,638
820.0	Oper Meas & Reg Sta Exp	7,305	7,305	7,305	-	-	-	-	-	-	7,305
821.0	Oper Purification Exp	-	-	-	-	-	-	-	-	-	-
823.0	Storage Gas Losses	-	-	-	-	-	-	-	-	-	-
824.0	Oper Other Expenses	21,314	21,253	21,253	-	61	-	-	-	-	21,314
825.0	Oper Storage Well Royalty	34,956	34,956	34,956	-	-	-	-	-	-	34,956
826.0	Oper Other Storage Rents	(1,212)	(1,212)	(1,212)	-	-	-	-	-	-	(1,212)
830.0	Maint Supv & Engineering	99,191	97,177	97,177	-	2,014	-	-	-	-	99,191
831.0	Maint Structures	3,565	3,565	3,565	-	-	-	-	-	-	3,565
832.0	Maint Reservoirs & Wells	8,914	8,914	8,914	-	-	-	-	-	-	8,914
833.0	Maint Of Lines	417	417	417	-	-	-	-	-	-	417
834.0	Maint Compressor Sta Equip	197,563	192,949	192,949	-	4,614	-	-	-	-	197,563
835.0	Maint M&R Sta Equip	-	-	-	-	-	-	-	-	-	-
836.0	Maint Purification Equip	1,641	1,641	1,641	-	-	-	-	-	-	1,641
837.0	Maint Other Equipment	7,987	7,987	7,987	-	-	-	-	-	-	7,987
	<b>Sub-total</b>	<b>806,188</b>	<b>790,393</b>	<b>790,393</b>	<b>-</b>	<b>15,794</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>806,188</b>

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Historical Test Year - Margin	Direct Input - Margin	Common Allocation - Margin	Pro Forma Adjustments - Margin Only	Proforma Adjustments - Gas Costs Only	Revenue Change - Margin Only	Revenue Change - Gas Only	Total Revenue Change	Adjusted Test Year
<b>Natural Gas Local Storage Expenses</b>											
841.0	Operating Labor & Expenses	273,794	268,369	268,369		5,425				-	273,794
843.2	Maint Struc & Impro	1,464	1,464	1,464						-	1,464
843.3	Maintenance of Gas Holders	-	-	-						-	-
843.6	Maintenance of Vaporizing Equipment	-	-	-						-	-
843.8	Maint Measur & Reg	-	-	-						-	-
843.9	Other Gas Maintenance	21	21	21						-	21
	<b>Sub-total</b>	<b>275,278</b>	<b>269,854</b>	<b>269,854</b>	-	<b>5,425</b>	-	-	-	-	<b>275,278</b>
<b>Transmission</b>											
850.0	Oper Supervision & Engineering	-	-	-		-				-	-
856.0	Oper Mains Expenses	609	609	609		-				-	609
857.0	Oper Meas & Reg Sta Exp	-	-	-						-	-
862.0	Maint Structures & Improvements	172,203	170,098	170,098		2,105				-	172,203
863.0	Maint Mains	(20,850)	(20,912)	(20,912)		61				-	(20,850)
864.0	Maint Supv & Eng	-	-	-						-	-
865.0	Maint Structures	-	-	-						-	-
867.0	Maint Other Equipment	78,802	77,058	77,058		1,744				-	78,802
	<b>Sub-total</b>	<b>230,764</b>	<b>226,854</b>	<b>226,854</b>	-	<b>3,911</b>	-	-	-	-	<b>230,764</b>
<b>Distribution</b>											
870.0	Oper Supv & Engineering	1,429,286	1,407,002	1,407,002		22,284				-	1,429,286
871.0	Oper Load Dispatching	339,980	337,650	337,650		2,330				-	339,980
874.0	Oper Mains & Services Exp	15,164,117	15,172,314	15,172,314		(8,197)				-	15,164,117
875.0	Oper Meas & Reg Sta Gen	1,771,805	1,717,606	1,717,606		54,199				-	1,771,805
876.0	Oper Meas & Reg Sta Indus	93,650	85,717	85,717		7,933				-	93,650
878.0	Oper Meter & House Reg	6,939,914	6,806,068	6,806,068		133,846				-	6,939,914
879.0	Oper Customer Install Exp	4,631,532	4,478,249	4,478,249		153,283				-	4,631,532
880.0	Oper Other Expense	3,161,170	3,136,171	3,136,171		24,998				-	3,161,170
881.0	Oper Rents Expense	263,018	263,013	263,013		5				-	263,018
887.0	Maint Mains	5,970,089	6,159,298	6,159,298		(189,209)				-	5,970,089
889.0	Maint Meas & Reg Sta Gen	458,433	460,367	460,367		(1,934)				-	458,433
890.0	Maint Meas & Reg Sta Ind	87,386	74,586	74,586		12,800				-	87,386
892.0	Maint Services	5,808,582	6,268,282	6,268,282		(459,700)				-	5,808,582
893.0	Maint Meters & House Reg	1,821,689	1,795,500	1,795,500		26,189				-	1,821,689
894.0	Maint Other Equipment	215,216	187,131	187,131		28,085				-	215,216
	Direct Assign to Sales	1,809,122	1,809,122	1,809,122						-	1,809,122
	Direct Assignment to Transport	80,330	80,330	80,330						-	80,330
	<b>Sub-total</b>	<b>50,045,319</b>	<b>50,238,406</b>	<b>50,238,406</b>	-	<b>(193,087)</b>	-	-	-	-	<b>50,045,319</b>

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Historical Test Year - Margin	Direct Input - Margin	Common Allocation - Margin	Pro Forma Adjustments - Margin Only	Proforma Adjustments - Gas Costs Only	Revenue Change - Margin Only	Revenue Change - Gas Only	Total Revenue Change	Adjusted Test Year
<b>Customer Accounts Expense</b>											
901.0	Supervision - Customer Accounting	171,954	168,405	-	168,405	3,550				-	171,954
902.0	Meter Reading Expense SALES	12,311,869	12,300,060	12,103,394	196,665	11,810				-	12,311,869
902.0	Meter Reading Expense TRANSPORT	41,862	41,816	41,147	669	46				-	41,862
903.0	Cust. Records & Collection Exp.	13,866,209	13,550,495	1,298,953	12,251,543	315,714				-	13,866,209
904.0	Uncollectible Accounts	1,431,261	3,701,289	3,701,289		(2,270,028)				-	1,431,261
904.0	Uncollectible Accounts - Gas Cost Rel	2,184,853	-	-			2,184,853			-	2,184,853
904.0	Uncollectible Accounts - Rate Inc Rel	110,730	-	-	-			110,730		110,730	110,730
905.0	Misc. Customer Accounts Expense	(50,327)	(50,327)	-	(50,327)					-	(50,327)
903.0	Direct Assign to Sales	606,069	606,069	606,069						-	606,069
903.0	Direct Assignment to Transport	126,936	126,936	126,936						-	126,936
	<b>Sub-total</b>	<b>30,801,417</b>	<b>30,444,743</b>	<b>17,877,789</b>	<b>12,566,954</b>	<b>(1,938,909)</b>	<b>2,184,853</b>	<b>110,730</b>	<b>-</b>	<b>110,730</b>	<b>30,801,417</b>
<b>Customer Service &amp; Information Expenses</b>											
908.0	Direct Assignment to Sales	266,307	266,307	266,307						-	266,307
908.0	Direct Assignment to Transport	-	-	-						-	-
908.0	Customer Assistance Expenses	186,901	3,507,728	3,022,612	485,117	(3,320,827)				-	186,901
909.0	Information, Instructional Advertising	472,555	468,166	10,608	457,559	4,389				-	472,555
910.0	Misc. Cust. Serv. & Infor. Expenses	29,466	28,928		28,928	538				-	29,466
908.0	Conservation Amortization	(0)	14,771,682	14,771,682		(14,771,682)				-	(0)
	<b>Sub-total</b>	<b>955,229</b>	<b>19,042,811</b>	<b>18,071,208</b>	<b>971,603</b>	<b>(18,087,582)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>955,229</b>
<b>Sales Expense</b>											
911.0	Sales Supervision Exp	-	-	-		-				-	-
912.0	Demonstrating and Selling	186,002	183,076	183,076		2,927				-	186,002
913.0	Advertising Expenses	141	141	-	141					-	141
	<b>Sub-total</b>	<b>186,143</b>	<b>183,216</b>	<b>183,076</b>	<b>141</b>	<b>2,927</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>186,143</b>
<b>Administrative &amp; General Expenses</b>											
920.0	A & G Salaries - DIR Sales Procurement	624,278	624,278	624,278						-	624,278
920.0	A & G Salaries - DIR Transport	66,491	66,491	66,491						-	66,491
920.0	A & G Salaries	9,939,135	9,960,543	780,500	9,180,035	(21,408)				-	9,939,135
921.0	Office Supplies and Expenses- DIR Sales Procurement	15,186	15,186	15,186						-	15,186
921.0	Office Supplies and Expenses- Transport	1,617	1,617	1,617						-	1,617
921.0	Office Supplies and Expenses	2,317,430	2,317,430	197,348	2,120,082					-	2,317,430
922.0	Admin Expenses Transferred	(84,921)	(84,921)	-	(84,921)	-				-	(84,921)
923.0	Outside Services Employed	5,597,283	5,597,283	601,565	4,995,718					-	5,597,283
924.0	Property Insurance	1,417,875	1,462,648	307,111	1,155,537	(44,773)				-	1,417,875
925.0	Injuries & Damages	2,483,128	2,430,346	491,813	1,938,533	52,781				-	2,483,128
926.0	Benefits - DIR Sales	484,240	484,240	484,240						-	484,240
926.0	Benefits - DIR Transport	81,596	81,596	81,596						-	81,596
926.0	Benefits - DIR Sales Procurement	164,690	164,690	164,690						-	164,690
926.0	Benefit - DIR Rental	184,681	184,681	184,681						-	184,681
926.0	Emp Pension & Benefits	11,964,970	11,103,847	7,147,063	3,956,784	861,123				-	11,964,970
928.0	Regulatory Commission Expense	1,470,658	1,163,502	876,677	286,825	307,156				-	1,470,658
928.0	Regulatory Commission Expense - Other Revenue	13,761	13,761	13,761						-	13,761
928.0	Regulatory Commission Expense - Gas Cost Rel	1,257,763	-	-	-		1,257,763			-	1,257,763
928.0	Reg. Comm. Expense - Rate Inc Rel	63,730	-	-	-			63,730		63,730	63,730
930.1	Gen Advertising Exp	136,659	136,649	-	136,649	10				-	136,659
930.2	Misc. General Expenses	916,354	838,533	365,841	472,691	77,821				-	916,354
931.0	Rents	2,395,135	2,400,894	-	2,400,894	(5,759)				-	2,395,135
932.0	Maint Of General Plant- DIR	-	-	-	-					-	-
932.0	Maint Of General Plant- Gas	2,610,341	2,597,012	273,915	2,323,097	13,329				-	2,610,341
	<b>Sub-total</b>	<b>44,122,081</b>	<b>41,560,307</b>	<b>12,678,383</b>	<b>28,881,924</b>	<b>1,240,280</b>	<b>1,257,763</b>	<b>63,730</b>	<b>-</b>	<b>63,730</b>	<b>44,122,081</b>
<b>TOTAL O &amp; M EXPENSES</b>		<b>729,251,883</b>	<b>143,633,459</b>	<b>101,212,837</b>	<b>42,420,622</b>	<b>(18,933,746)</b>	<b>604,377,710</b>	<b>174,460</b>	<b>-</b>	<b>174,460</b>	<b>729,251,883</b>



**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Historical Test Year - Margin	Direct Input - Margin	Common Allocation - Margin	Pro Forma Adjustments - Margin Only	Proforma Adjustments - Gas Costs Only	Revenue Change - Margin Only	Revenue Change - Gas Only	Total Revenue Change	Adjusted Test Year
<b>Labor O &amp; M Expenses</b>											
<b>Production Expense - Labor</b>											
710.0	Oper. Supervision and Engineering	-	-	-						-	-
717.0	LPG Expenses	142,083	142,083	142,083						-	142,083
735.0	Misc. Production Expenses	-	-	-						-	-
741.0	Maint. Structures and Improvements	18	18	18						-	18
742.0	Maint. Production Equipment	-	-	-						-	-
	<b>Sub-total</b>	<b>142,100</b>	<b>142,100</b>	<b>142,100</b>	-	-	-	-	-	-	<b>142,100</b>
<b>Other Gas Supply Expenses</b>											
807.2	Purchased Gas Expense	174,548	174,548	174,548						-	174,548
807.4	Purchased Gas Expense	288,954	288,954	288,954						-	288,954
	<b>Sub-total</b>	<b>463,501</b>	<b>463,501</b>	<b>463,501</b>	-	-	-	-	-	-	<b>463,501</b>
<b>Natural Gas Underground Storage - Labor</b>											
	JP Storage Balancing - DIR	129,366	129,366	129,366						-	129,366
814.0	Operation Supv & Eng	91,057	91,057	91,057						-	91,057
818.0	Oper Compressor Sta Exp	93,060	93,060	93,060						-	93,060
841.0	Operating Labor & Expenses	132,047	132,047	132,047						-	132,047
830.0	Maint Supv & Engineering	85,523	85,523	85,523						-	85,523
834.0	Maint Compressor Sta Equip	113,142	113,142	113,142						-	113,142
824.0	Other Expenses	2,633	2,633	2,633						-	2,633
	<b>Sub-total</b>	<b>646,828</b>	<b>646,828</b>	<b>646,828</b>	-	-	-	-	-	-	<b>646,828</b>
<b>Transmission - Labor</b>											
856.0	Oper Mains Expenses	-	-	-						-	-
857.0	Oper Meas & Reg Sta Exp	-	-	-						-	-
862.0	Maint Structures & Improvements	54,315	54,315	54,315						-	54,315
863.0	Maint Supv & Eng	2,003	2,003	2,003						-	2,003
865.0	Maint Structures	-	-	-						-	-
867.0	Maint Other Equipment	44,107	44,107	44,107						-	44,107
	<b>Sub-total</b>	<b>100,424</b>	<b>100,424</b>	<b>100,424</b>	-	-	-	-	-	-	<b>100,424</b>

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Historical Test Year - Margin	Direct Input - Margin	Common Allocation - Margin	Pro Forma Adjustments - Margin Only	Proforma Adjustments - Gas Costs Only	Revenue Change - Margin Only	Revenue Change - Gas Only	Total Revenue Change	Adjusted Test Year
<b>Distribution - Labor</b>											
870.0	Oper Supv & Engineering	1,137,435	1,137,435	1,137,435						-	1,137,435
871.0	Oper Load Dispatching	271,043	271,043	271,043						-	271,043
874.0	Oper Mains & Services Exp	5,721,616	5,721,616	5,721,616						-	5,721,616
875.0	Oper Meas & Reg Sta Gen	1,264,712	1,264,712	1,264,712						-	1,264,712
876.0	Oper Meas & Reg Sta Indus	162,835	162,835	162,835						-	162,835
878.0	Oper Meter & House Reg	4,332,335	4,332,335	4,332,335						-	4,332,335
879.0	Oper Customer Install Exp	3,822,790	3,822,790	3,822,790						-	3,822,790
880.0	Oper Other Expense	971,620	971,620	971,620						-	971,620
887.0	Maint Mains	2,161,995	2,161,995	2,161,995						-	2,161,995
889.0	Maint Meas & Reg Sta Gen	255,513	255,513	255,513						-	255,513
890.0	Maint Meas & Reg Sta Ind	277,235	277,235	277,235						-	277,235
892.0	Maint Services	691,032	691,032	691,032						-	691,032
893.0	Maint Meters & House Reg	1,246,098	1,246,098	1,246,098						-	1,246,098
894.0	Maint Other Equipment	500,339	500,339	500,339						-	500,339
	Direct Assign to Sales	569,529	569,529	569,529						-	569,529
	Direct Assignment to Transport	34,772	34,772	34,772						-	34,772
	<b>Sub-total</b>	<b>23,420,898</b>	<b>23,420,898</b>	<b>23,420,898</b>	-	-	-	-	-	-	<b>23,420,898</b>
<b>Customer Accounts Expense - Labor</b>											
901.0	Supervision - Customer Accounting	151,944	151,944		151,944					-	151,944
902.0	Meter Reading Expenses	410,594	410,594	313,316	97,277					-	410,594
903.0	Cust. Records & Coll. Exp.	8,850,514	8,850,514	1,553,235	7,297,280					-	8,850,514
905.0	Misc. Customer Accounts Expense	-	-							-	-
	<b>Sub-total</b>	<b>9,413,051</b>	<b>9,413,051</b>	<b>1,866,551</b>	<b>7,546,500</b>	-	-	-	-	-	<b>9,413,051</b>
<b>Customer Service &amp; Information Expenses - Labor</b>											
908.0	Customer Assistance Expenses	654,453	654,453	266,515	387,938					-	654,453
909.0	Information, Instructional Advertising	207,235	207,235	-	207,235					-	207,235
910.0	Misc. Customer Service & Informational Expenses	24,831	24,831		24,831					-	24,831
	<b>Sub-total</b>	<b>886,519</b>	<b>886,519</b>	<b>266,515</b>	<b>620,004</b>	-	-	-	-	-	<b>886,519</b>
<b>Sales Expense - Labor</b>											
912.0	Demonstrating and Selling	149,179	149,179	149,179						-	149,179
	<b>Sub-total</b>	<b>149,179</b>	<b>149,179</b>	<b>149,179</b>	-	-	-	-	-	-	<b>149,179</b>
	<b>TOTAL LABOR O &amp; M EXPENSES</b>	<b>35,222,501</b>	<b>35,222,501</b>	<b>27,055,997</b>	<b>8,166,504</b>	-	-	-	-	-	<b>35,222,501</b>

**Puget Sound Energy  
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Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Historical Test Year - Margin	Direct Input - Margin	Common Allocation - Margin	Pro Forma Adjustments - Margin Only	Proforma Adjustments - Gas Costs Only	Revenue Change - Margin Only	Revenue Change - Gas Only	Total Revenue Change	Adjusted Test Year
<b>Depreciation Expense</b>											
403.0	Production Depreciation Expense	60,496	60,496	60,496						-	60,496
403.0	JP Balancing Depreciation Expense	162,826	162,826	162,826						-	162,826
403.0	Underground Depreciation Expense	651,305	651,305	651,305						-	651,305
403.0	Storage Depreciation Expense	372,262	372,262	372,262						-	372,262
403.0	LNG Terminal/Processing Depr Exp	31,447	31,447	31,447						-	31,447
403.0	Transmission Depreciation Expense	-	-	-						-	-
403.0	Distribution Depreciation Expense	83,936,573	83,636,039	83,636,039		300,534				-	83,936,573
403.0	Rental Depreciation Expense	1,372,640	7,636,039	7,636,039		(6,263,399)				-	1,372,640
403.0	General Depreciation Expense	9,203,604	9,795,911	2,738,593	7,057,318	(592,306)				-	9,203,604
403.1	Depr. Expense - FAS 143	40,518	40,518	48,995	(8,477)					-	40,518
404.0	Amort. Ltd - Term Plant	12,558,533	12,558,533	1,221,830	11,336,703					-	12,558,533
407.0	Amortization of Property Losses	-	-	-	-					-	-
407.3	Regulatory Debits	-	-	-	-					-	-
407.4	Regulatory Credits	-	-	-	-					-	-
411.0	Accretion Exp - FAS143	219,587	219,587	219,232	356					-	219,587
414.0	Gains/Losses Property Sales	(45,370)	(187,823)	(187,823)		142,453				-	(45,370)
	<b>TOTAL DEPRECIATION EXPENSES</b>	<b>108,564,422</b>	<b>114,977,140</b>	<b>96,591,240</b>	<b>18,385,900</b>	<b>(6,412,719)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>108,564,422</b>
<b>Taxes (other than income)</b>											
408.1	Taxes other than Income Taxes - DIR Sales	147,029	147,029	147,029						-	147,029
408.1	Taxes other than Income Taxes - DIR Transport	24,630	24,630	24,630						-	24,630
408.1	Other Taxes - DIR Sales Procurement	49,922	49,922	49,922						-	49,922
408.1	Other Taxes - DIR Rental	55,954	55,954	55,954						-	55,954
408.1	Taxes Other Than Income - Excise Taxes	16,280,684	56,632,811	56,421,623	211,188	(40,352,127)				-	16,280,684
408.1	Other Taxes - Property Taxes	16,795,783	14,229,174	14,229,174		2,566,609				-	16,795,783
408.1	Other Taxes - Payroll Taxes	3,542,830	3,470,075	2,167,732	1,302,343	72,755				-	3,542,830
408.1	Other Taxes - Rate Inc Rel	1,223,165	-	-				1,223,165		1,223,165	1,223,165
408.1	Other Taxes - Gas Cost Rel	24,137,393	-	-			24,137,393			-	24,137,393
	<b>TOTAL TAXES OTHER THAN INCOME</b>	<b>62,257,390</b>	<b>74,609,595</b>	<b>73,096,064</b>	<b>1,513,531</b>	<b>(37,712,763)</b>	<b>24,137,393</b>	<b>1,223,165</b>	<b>-</b>	<b>1,223,165</b>	<b>62,257,390</b>
	<b>TOTAL EXPENSES</b>	<b>900,073,694</b>	<b>333,220,194</b>	<b>270,900,141</b>	<b>62,320,052</b>	<b>(63,059,228)</b>	<b>628,515,103</b>	<b>1,397,625</b>	<b>-</b>	<b>1,397,625</b>	<b>900,073,694</b>
<b>INCOME TAXES &amp; ITC</b>											
410.1	DIT, utility operating income	59,583,058	59,583,058	53,614,008	5,969,050	-				-	59,583,058
411.1	Provision for DIT - credit	(21,893,341)	(62,446,264)	(60,115,430)	(2,330,834)	40,552,923				-	(21,893,341)
411.4	ITC adjustments	(204,565)	(204,565)	(204,565)		-				-	(204,565)
409.1	FIT Current	(665,778)	15,204,117	15,204,117		(15,869,895)				-	(665,778)
409.1	FIT Current - Rate Incr. Rel.	10,663,552	-	-				10,663,552		10,663,552	10,663,552
	<b>TOTAL INCOME TAXES &amp; ITC</b>	<b>47,482,926</b>	<b>12,136,346</b>	<b>8,498,130</b>	<b>3,638,216</b>	<b>24,683,028</b>	<b>-</b>	<b>10,663,552</b>	<b>-</b>	<b>10,663,552</b>	<b>47,482,926</b>

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Historical Test Year - Margin	Direct Input - Margin	Common Allocation - Margin	Pro Forma Adjustments - Margin Only	Proforma Adjustments - Gas Costs Only	Revenue Change - Margin Only	Revenue Change - Gas Only	Total Revenue Change	Adjusted Test Year
<b>GAS COSTS</b>											
<b>Demand Costs</b>											
<b>Supply Costs</b>											
	Winter Firm	-	-				-			-	-
	Peaking Firm	743,510	-				743,510			-	743,510
	<b>Sub-total Supply</b>	<b>743,510</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>743,510</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>743,510</b>
<b>Storage Costs</b>											
	Clay Basin Demand	3,826,383	-				3,826,383			-	3,826,383
	Clay Basin Capacity	3,826,678	-				3,826,678			-	3,826,678
	NW P/L SGS-2 Jackson Prairie Del.	301,295	-				301,295			-	301,295
	NW P/L SGS-2 Jackson Prairie Deliv. Bal.	75,324	-				75,324			-	75,324
	NW P/L SGS-2 Jackson Prairie Capacity	239,109	-				239,109			-	239,109
	NW P/L SGS-2 Jackson Prairie Cap. Bal.	59,777	-				59,777			-	59,777
	NW P/L LS-1 + Gig Harbor LNG Demand	787,929	-				787,929			-	787,929
	NW P/L/LS-1 + Gig Harbor LNG Capacity	344,942	-				344,942			-	344,942
	<b>Sub-total Storage</b>	<b>9,461,437</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,461,437</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,461,437</b>
<b>Pipeline Costs</b>											
	Northwest Pipeline TF-1 Annual Firm	71,190,054	-				71,190,054			-	71,190,054
	Olympia Lateral Expansion	793,200	-				793,200			-	793,200
	Gas Transmission Northwest (GTN)	3,577,161	-				3,577,161			-	3,577,161
	Westcoast	16,793,948	-				16,793,948			-	16,793,948
	NOVA & ANG	7,794,045	-				7,794,045			-	7,794,045
	TF-2 Related to Jackson Prairie	2,750,730	-				2,750,730			-	2,750,730
	TF-2 Related to Jackson Prairie Bal.	687,682	-				687,682			-	687,682
	TF-2 Related to LS-1	91,807	-				91,807			-	91,807
	<b>Sub-total Transportation Costs</b>	<b>103,678,628</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>103,678,628</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>103,678,628</b>
<b>Other</b>											
	Capacity Release	(5,013,661)	-				(5,013,661)			-	(5,013,661)
	<b>Sub-total Other</b>	<b>(5,013,661)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,013,661)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,013,661)</b>
	<b>TOTAL DEMAND COSTS</b>	<b>108,869,914</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>108,869,914</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>108,869,914</b>

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Historical Test Year - Margin	Direct Input - Margin	Common Allocation - Margin	Pro Forma Adjustments - Margin Only	Proforma Adjustments - Gas Costs Only	Revenue Change - Margin Only	Revenue Change - Gas Only	Total Revenue Change	Adjusted Test Year
<b>Variable Costs</b>											
<b>Supply Costs</b>											
	Annual Float Contracts	-	-				-			-	-
	Annual Contracts & Spot Purchases	668,497,000	-				668,497,000			-	668,497,000
	Peaking Firm	-	-				-			-	-
	Annual Spot Market	-	-				-			-	-
	Withdrawals	96,648,492	-				96,648,492			-	96,648,492
	Injections	(91,741,000)	-				(91,741,000)			-	(91,741,000)
	Off System Sales Revenue	(172,606,128)	-				(172,606,128)			-	(172,606,128)
	Adjust for Rate Case Volumes	(10,132,258)	-				(10,132,258)			-	(10,132,258)
	Adjust for Rate Case Costs	(3,292,353)	-				(3,292,353)			-	(3,292,353)
	<b>Sub-total Variable Supply Costs</b>	<b>487,373,753</b>	-	-	-	-	<b>487,373,753</b>	-	-	-	<b>487,373,753</b>
<b>Storage Costs</b>											
	SGS-2 Jackson Prairie Commodity	149,600	-				149,600			-	149,600
	SGS-2 Jackson Prairie Commodity Balancing	37,400	-				37,400			-	37,400
	LS-1 + Gig Harbor LNG Liquefaction	139,119	-				139,119			-	139,119
	LS-1 + Gig Harbor LNG Vaporization	9,247	-				9,247			-	9,247
	Clay Basin	939,000	-				939,000			-	939,000
	<b>Sub-total Variable Storage Costs</b>	<b>1,274,365</b>	-	-	-	-	<b>1,274,365</b>	-	-	-	<b>1,274,365</b>
<b>Pipeline Costs</b>											
	TF-1 Commodity Costs	2,729,512	-				2,729,512			-	2,729,512
	TF-2 Related to Jackson Prairie	247,435	-				247,435			-	247,435
	TF-2 Related to Jackson Prairie Bal.	61,859	-				61,859			-	61,859
	TF-2 Related to LS-1	8,256	-				8,256			-	8,256
	Gas Transmission Northwest (GTN)	178,000	-				178,000			-	178,000
	Westcoast	-	-				-			-	-
	NOVA & ANG	192,000	-				192,000			-	192,000
	<b>Sub-total Variable Pipeline Costs</b>	<b>3,417,062</b>	-	-	-	-	<b>3,417,062</b>	-	-	-	<b>3,417,062</b>
	<b>TOTAL VARIABLE COSTS</b>	<b>492,065,180</b>	-	-	-	-	<b>492,065,180</b>	-	-	-	<b>492,065,180</b>
	<b>TOTAL GAS COSTS</b>	<b>600,935,094</b>	-	-	-	-	<b>600,935,094</b>	-	-	-	<b>600,935,094</b>
<b>REVENUE</b>											
412.0	Lease Inc Everett Delta to NWP - Gas	-	-							-	-
480,481	Gas Revenues	628,515,103	-				628,515,103			-	628,515,103
480,481	Res., Comm. & Indus. Sales	397,809,126	397,809,126	397,809,126			-			-	397,809,126
489.0	Rev From Transp. of Gas To Others	14,098,005	14,098,005	14,098,005			-			-	14,098,005
	Other Operating Revenue	6,760,042	6,760,042	6,760,042						-	6,760,042
	Rental Revenue	8,138,782	8,138,782	8,138,782						-	8,138,782
489.4	Gas Revenues from Storing Gas of Others	-	-							-	-
	<b>TOTAL REVENUE</b>	<b>1,055,321,057</b>	<b>426,805,954</b>	<b>426,805,954</b>	-	-	<b>628,515,103</b>	-	-	-	<b>1,055,321,057</b>

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Function	Classifier	DEM	COM	CUS	DIRS	DIRT	Internal
<b>RATE BASE</b>										
<b>Plant-in-Service</b>										
<b>Intangible Plant</b>										
301.0	Organization	158,692								PLT
302.0	Franchise and Consents	165,916								PLT
303.0	Misc. Intangible	69,760,300								OML
	<b>Sub-total</b>	<b>70,084,907</b>								
<b>Production and Gathering Plant</b>										
304.0	Land and Land Rights	153,211								PRODPT
305.0	Structures and Improvements	508,737								PRODPT
311.0	Liquefied Petroleum Gas Equipment	6,099,978	F_PRODU	DEM	PDAYXT					
320.0	Other Equipment	4,853	F_PRODU	DEM	PDAYXT					
	<b>Sub-total</b>	<b>6,766,779</b>								
<b>Natural Gas Underground Storage</b>										
	JP Storage Balancing - DIR	8,062,023	F_STORG	COM		COM1				
350.0	Land and Land Rights	376,346	F_STORG	DEM	SEAS3_DEM					
351.0	Structures and Improvements	553,389	F_STORG	DEM	SEAS3_DEM					
352.0	Wells	13,182,752	F_STORG	DEM	SEAS3_DEM					
353.0	Lines	2,066,943	F_STORG	DEM	SEAS3_DEM					
354.0	Compressor Equipment	13,364,895	F_STORG	DEM	SEAS3_DEM					
355.0	Measuring and Regulating Equipment	373,562	F_STORG	DEM	SEAS3_DEM					
356.0	Purification Equipment	2,112,640	F_STORG	DEM	SEAS3_DEM					
357.0	Other Equipment	217,563	F_STORG	DEM	SEAS3_DEM					
	<b>Sub-total</b>	<b>40,310,113</b>								
<b>Natural Gas Local Storage</b>										
360.0	Land & Land Rights	1,704,569	F_STORG	DEM	SEAS3_DEM					
361.0	Structures & improvement	3,973,839	F_STORG	DEM	SEAS3_DEM					
362.0	Gas Holders	3,683,221	F_STORG	DEM	SEAS3_DEM					
363.0	Purification Equipment	3,978,020	F_STORG	DEM	SEAS3_DEM					
364.0	Terminating & Processing	970,581	F_STORG	DEM	SEAS3_DEM					
	<b>Sub-total</b>	<b>14,310,230</b>								

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Function	Classifier	DEM	COM	CUS	DIRS	DIRT	Internal
<b>Distribution Plant</b>										
373.0	Easements	-								DISTPT
374.0	Land and Land Rights	14,122,702								DISTPT
375.0	Structures and Improvements	8,331,609								DISTPT
376.0	Mains	1,340,632,646	F_DISTR	DEM	PA_MAINS					
378.0	Meas. & Reg. Station Equip.- Gen.	86,726,307	F_DISTR	DEM	PAVG					
380.0	Services	709,808,210	F_DISTR	CUS			SERV			
380.0	Services - DIR	2,784,248	F_DISTR	CUS			DIR380			
381.0	Meters	62,021,599	F_DISTR	CUS			MTRS_CUS			
382.0	Meter Installations	135,654,228	F_DISTR	CUS			MTRS_INST			
383.0	House Regulators	13,820,462	F_DISTR	CUS			MTRS_CUS			
384.0	House Regulators Installations	74,251,826	F_DISTR	CUS			MTRS_CUS			
385.0	Indust. Meas. & Reg. Station Equip.	38,752,669	F_DISTR	CUS			MTRS_385			
386.0	Rental Property on Customers Premise	35,918,724	F_DISTR	CUS			DIR386			
387.0	Other Equipment	4,064,498								DISTPT
388.0	ARO	6,637,888								DISTPT
	<b>Sub-total</b>	<b>2,533,527,616</b>								
<b>General Plant</b>										
389.0	Land and Land Rights	10,899,036								PLTXR
390.0	Structures and Improvements	50,240,751								PLTXR
391.0	Office Furniture and Equipment	30,970,347								OML
392.0	Transportation Equipment	8,023,290								OML
393.0	Stores Equipment	75,451								PLTXR
394.0	Tools, Shop, and Garage Equipment	9,550,743								OML
395.0	Laboratory Equipment	2,522,747								PLTXR
396.0	Power Operated Equipment	614,889								PLTXR
397.0	Communication Equipment	16,431,223								OML
398.0	Misc. Equipment	345,285								OML
399.0	Other Intangible Property	(644)								OML
	<b>Sub-total</b>	<b>129,673,118</b>								
	<b>TOTAL PLANT-IN-SERVICE</b>	<b>2,794,672,762</b>								

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Function	Classifier	DEM	COM	CUS	DIRS	DIRT	Internal
<b>Accumulated Reserve</b>										
<b>Intangible Plant</b>										
301.0	Organization	-								PLT
302.0	Franchise and Consents	(42,907)								PLT
303.0	Misc. Intangible	(50,037,361)								OML
	<b>Sub-total</b>	<b>(50,080,268)</b>								
<b>Production and Gathering Plant</b>										
304.0	Land and Land Rights	-								PRODPT
305.0	Structures and Improvements	(472,906)								PRODPT
311.0	Liquefied Petroleum Gas Equipment	(5,420,027)	F_PRODU	DEM	PDAYXT					
320.0	Other Equipment	(756)	F_PRODU	DEM	PDAYXT					
	<b>Sub-total</b>	<b>(5,893,689)</b>								
<b>Natural Gas Underground Storage</b>										
	JP Storage Balancing - DIR	(3,078,019)	F_STORG	COM		COM1				
350.0	Land and Land Rights	-	F_STORG	DEM	SEAS3_DEM					
351.0	Structures and Improvements	(325,175)	F_STORG	DEM	SEAS3_DEM					
352.0	Wells	(7,025,695)	F_STORG	DEM	SEAS3_DEM					
353.0	Lines	(1,037,414)	F_STORG	DEM	SEAS3_DEM					
354.0	Compressor Equipment	(3,464,719)	F_STORG	DEM	SEAS3_DEM					
355.0	Measuring and Regulating Equipment	206,720	F_STORG	DEM	SEAS3_DEM					
356.0	Purification Equipment	(598,068)	F_STORG	DEM	SEAS3_DEM					
357.0	Other Equipment	(67,725)	F_STORG	DEM	SEAS3_DEM					
	<b>Sub-total</b>	<b>(15,390,095)</b>								
<b>Natural Gas Local Storage</b>										
360.0	Land & Land Rights	-	F_STORG	DEM	SEAS3_DEM					
361.0	Structures & improvement	(715,927)	F_STORG	DEM	SEAS3_DEM					
362.0	Gas Holders	(479,948)	F_STORG	DEM	SEAS3_DEM					
363.0	Purification Equipment	(948,122)	F_STORG	DEM	SEAS3_DEM					
364.0	Terminating & Processing	(389,209)	F_STORG	DEM	SEAS3_DEM					
	<b>Sub-total</b>	<b>(2,533,206)</b>								



**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Function	Classifier	DEM	COM	CUS	DIRS	DIRT	Internal
<b>Distribution Plant</b>										
373.0	Easements	-								DISTPT
374.0	Land and Land Rights	(746,929)								DISTPT
375.0	Structures and Improvements	(3,518,158)								DISTPT
376.0	Mains	(389,908,287)	F_DISTR	DEM	PA_MAINS					
378.0	Meas. & Reg. Station Equip.- Gen.	(16,662,552)	F_DISTR	DEM	PAVG					
380.0	Services	(300,374,793)	F_DISTR	CUS			SERV			
380.0	Services - DIR	(1,178,231)	F_DISTR	CUS			DIR380			
381.0	Meters	(18,248,898)	F_DISTR	CUS			MTRS_CUS			
382.0	Meter Installations	(27,504,494)	F_DISTR	CUS			MTRS_INST			
383.0	House Regulators	(5,791,718)	F_DISTR	CUS			MTRS_CUS			
384.0	House Regulators Installations	(13,815,099)	F_DISTR	CUS			MTRS_CUS			
385.0	Indust. Meas. & Reg. Station Equip.	(9,630,089)	F_DISTR	CUS			MTRS_385			
386.0	Rental Property on Customers Premise	(31,787,582)	F_DISTR	CUS			DIR386			
387.0	Other Equipment	(728,720)								DISTPT
388.0	ARO	(6,482,969)								DISTPT
	<b>Sub-total</b>	<b>(826,378,520)</b>								
<b>General Plant</b>										
389.0	Land and Land Rights	(118)								PLTXR
390.0	Structures and Improvements	(14,268,208)								PLTXR
391.0	Office Furniture and Equipment	(4,336,082)								OML
392.0	Transportation Equipment	(1,026,030)								OML
393.0	Stores Equipment	(16,974)								PLTXR
394.0	Tools, Shop, and Garage Equipment	(3,913,075)								OML
395.0	Laboratory Equipment	(337,883)								PLTXR
396.0	Power Operated Equipment	(420,993)								PLTXR
397.0	Communication Equipment	(3,048,996)								OML
398.0	Misc. Equipment	(33,557)								OML
399.0	Other Intangible Plant	(3,991)								OML
	<b>Sub-total</b>	<b>(27,405,906)</b>								
<b>Other Assets</b>										
108.0	Retirement Work in Progress	888,023								DISTPT
230.0	Asset Retirement Obligations	(3,532,312)								DISTPT
253.0	Landlord Incentives	(3,381,605)								DISTPT
182.3	Gas Rental Equip & Pipe	152,614								DISTPT
	Other	-								DISTPT
	<b>Sub-total</b>	<b>(5,873,281)</b>								
	<b>TOTAL ACCUMULATED RESERVE</b>	<b>(933,554,964)</b>								
<b>Rate Base Adjustments and Working Capital</b>										
<b>Other Rate Base</b>										
n/a	Customer Advances for Construction	(31,761,381)	F_DISTR	CUS			DIR252			
n/a	Gas Stored Underground - Non current	7,815,443	F_STORG	DEM	SEAS3_DEM					
n/a	CIAC - Accum. Def. FIT.	5,164,894	F_DISTR	CUS			DIR252			
n/a	Customer Deposit	(8,348,081)	F_DISTR	CUS			DIR235			
n/a	Liberalized Depr. Tot. Accum. Def. FIT	(254,530,105)								NETPLT
n/a	Allowance for Working Capital	78,846,956								OM
	<b>Total Other Rate Base</b>	<b>(202,812,274)</b>								
	<b>TOTAL RATE BASE</b>	<b>1,658,305,524</b>								

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Function	Classifier	DEM	COM	CUS	DIRS	DIRT	Internal
<b>EXPENSES</b>										
<b>O &amp; M Expenses</b>										
<b>Production Expense</b>										
710.0	Oper. Supervision and Engineering	-								PROD_OML
717.0	LPG Expenses	225,118	F_PRODU	DEM	PDAYXT					
735.0	Misc. Production Expenses	-	F_PRODU	DEM	PDAYXT					
741.0	Main. Structures and Improvements	788	F_PRODU	DEM	PDAYXT					
742.0	Maintenance of Production Equipment	37	F_PRODU	DEM	PDAYXT					
	<b>Sub-total</b>	<b>225,944</b>								
<b>Other Gas Supply Expenses</b>										
804.0	Natural Gas Purchases - City Gate	644,414,550								GAS
805.0	Other Gas Purchases	(15,209,702)								GAS
805.1	Purchased Gas Cost Adjustment	(34,268,471)								GAS
807.2	Oper. of Purch. Gas Measuring Sta.	493,587	F_PRODU	COM		COM1				
807.4	Purch. Gas Calculation Exp.	308,301	F_PRODU	COM		COM1XT_COM				
808.1	Gas Withdrawn From Storage	81,633,964								GAS
808.2	Gas Delivered to Storage	(75,635,247)								GAS
812.0	Gas Used for Other Utility Operations	(133,461)	F_PRODU	COM		COM1				
	<b>Sub-total</b>	<b>601,603,521</b>								
<b>Underground Storage Expenses</b>										
	JP Storage Balancing - DIR	161,238	F_STORG	COM		COM1				
814.0	Operation Supv & Eng	113,185								STOR_OML
815.0	Oper Map & Records	-								STORPT
816.0	Oper Wells Expense	8,498								STORPT
817.0	Oper Lines Expense	1,587								STORPT
818.0	Oper Compressor Sta Exp	117,402								STORPT
819.0	Oper Compressor Sta Fuel	22,638								STORPT
820.0	Oper Meas & Reg Sta Exp	7,305								STORPT
821.0	Oper Purification Exp	-								STORPT
823.0	Storage Gas Losses	-								STORPT
824.0	Oper Other Expenses	21,314								STORPT
825.0	Oper Storage Well Royalty	34,956								STORPT
826.0	Oper Other Storage Rents	(1,212)								STORPT
830.0	Maint Supv & Engineering	99,191								STORPT
831.0	Maint Structures	3,565								STORPT
832.0	Maint Reservoirs & Wells	8,914								STORPT
833.0	Maint Of Lines	417								STORPT
834.0	Maint Compressor Sta Equip	197,563								STORPT
835.0	Maint M&R Sta Equip	-								STORPT
836.0	Maint Purification Equip	1,641								STORPT
837.0	Maint Other Equipment	7,987								STORPT
	<b>Sub-total</b>	<b>806,188</b>								

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Function	Classifier	DEM	COM	CUS	DIRS	DIRT	Internal
<b>Natural Gas Local Storage Expenses</b>										
841.0	Operating Labor & Expenses	273,794								LNGPLT
843.2	Maint Struc & Impro	1,464								LNGPLT
843.3	Maintenance of Gas Holders	-								LNGPLT
843.6	Maintenance of Vaporizing Equipment	-								LNGPLT
843.8	Maint Measur & Reg	-								LNGPLT
843.9	Other Gas Maintenance	21								LNGPLT
	<b>Sub-total</b>	<b>275,278</b>								
<b>Transmission</b>										
850.0	Oper Supervision & Engineering	-	F_TRANS	DEM	PAVG					
856.0	Oper Mains Expenses	609	F_TRANS	DEM	PAVG					
857.0	Oper Meas & Reg Sta Exp	-	F_TRANS	DEM	PAVG					
862.0	Maint Structures & Improvements	172,203	F_TRANS	DEM	PAVG					
863.0	Maint Mains	(20,850)	F_TRANS	DEM	PAVG					
864.0	Maint Supv & Eng	-	F_TRANS	DEM	PAVG					
865.0	Maint Structures	-	F_TRANS	DEM	PAVG					
867.0	Maint Other Equipment	78,802	F_TRANS	DEM	PAVG					
	<b>Sub-total</b>	<b>230,764</b>								
<b>Distribution</b>										
870.0	Oper Supv & Engineering	1,429,286								DIST_OML
871.0	Oper Load Dispatching	339,980	F_DISTR	COM		COM1				
874.0	Oper Mains & Services Exp	15,164,117								DMAINS_SERV
875.0	Oper Meas & Reg Sta Gen	1,771,805	F_DISTR	DEM	PAVG					
876.0	Oper Meas & Reg Sta Indus	93,650								INDUSMR
878.0	Oper Meter & House Reg	6,939,914								MRHREG
879.0	Oper Customer Install Exp	4,631,532								CUSINSTL
880.0	Oper Other Expense	3,161,170								DISTOM
881.0	Oper Rents Expense	263,018								DISTOM
887.0	Maint Mains	5,970,089								DMAINS
889.0	Maint Meas & Reg Sta Gen	458,433	F_DISTR	DEM	PAVG					
890.0	Maint Meas & Reg Sta Ind	87,386								INDUSMR
892.0	Maint Services	5,808,582								DSERV
893.0	Maint Meters & House Reg	1,821,689								MRHREG
894.0	Maint Other Equipment	215,216								DMAINT
	Direct Assign to Sales	1,809,122	F_SALES	DIRS				DIR_DSALES		
	Direct Assignment to Transport	80,330	F_TRNSP	DIRT					DIR_DTRNSP	
	<b>Sub-total</b>	<b>50,045,319</b>								

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Function	Classifier	DEM	COM	CUS	DIRS	DIRT	Internal
<b>Customer Accounts Expense</b>										
901.0	Supervision - Customer Accounting	171,954								CUSTACC
902.0	Meter Reading Expense SALES	12,311,869	F_SALES	DIRS				SALES_902		
902.0	Meter Reading Expense TRANSPORT	41,862	F_TRNSP	DIRT					TRANS_902	
903.0	Cust. Records & Collection Exp.	13,866,209	F_DISTR	CUS			CUST			
904.0	Uncollectible Accounts	1,431,261	F_DISTR	CUS			DIR904			
904.0	Uncollectible Accounts - Gas Cost Rel	2,184,853	F_DISTR	CUS			DIR904			
904.0	Uncollectible Accounts - Rate Inc Rel	110,730	F_DISTR	CUS			DIR904			
905.0	Misc. Customer Accounts Expense	(50,327)								
903.0	Direct Assign to Sales	606,069	F_SALES	DIRS				DIR_CASALES		CUSTACC
903.0	Direct Assignment to Transport	126,936	F_TRNSP	DIRT					DIR_CATRNSP	
	<b>Sub-total</b>	<b>30,801,417</b>								
<b>Customer Service &amp; Information Expenses</b>										
908.0	Direct Assignment to Sales	266,307	F_SALES	DIRS				DIR_CSISALES_908		
908.0	Direct Assignment to Transport	-	F_TRNSP	DIRT					DIR_CSITRNSP_908	
908.0	Customer Assistance Expenses	186,901	F_DISTR	CUS			CUST			
909.0	Information, Instructional Advertising	472,555	F_DISTR	CUS			CUSTXT			
910.0	Misc. Cust. Serv. & Infor. Expenses	29,466	F_DISTR	CUS			DIR_CSI_910			
908.0	Conservation Amortization	(0)	F_DISTR	CUS			CUSTXT			
	<b>Sub-total</b>	<b>955,229</b>								
<b>Sales Expense</b>										
911.0	Sales Supervision Exp	-								
912.0	Demonstrating and Selling	186,002	F_DISTR	CUS			CUSTXT			
913.0	Advertising Expenses	141	F_DISTR	CUS			CUSTXT			
	<b>Sub-total</b>	<b>186,143</b>								
<b>Administrative &amp; General Expenses</b>										
920.0	A & G Salaries - DIR Sales Procurement	624,278	F_SALES	DIRS				DIR_CUSTXT		
920.0	A & G Salaries - DIR Transport	66,491	F_TRNSP	DIRT					DIR920_TRNSPT	
920.0	A & G Salaries	9,939,135								OM
921.0	Office Supplies and Expenses- DIR Sales Procurement	15,186	F_SALES	DIRS				DIR_CUSTXT		
921.0	Office Supplies and Expenses- Transport	1,617	F_TRNSP	DIRT					DIR921_TRNSPT	
921.0	Office Supplies and Expenses	2,317,430								OM
922.0	Admin Expenses Transferred	(84,921)								OM
923.0	Outside Services Employed	5,597,283								OM
924.0	Property Insurance	1,417,875								PLT
925.0	Injuries & Damages	2,483,128								OML
926.0	Benefits - DIR Sales	484,240	F_SALES	DIRS				DIR926_SALES		
926.0	Benefits - DIR Transport	81,596	F_TRNSP	DIRT					DIR926_TRNSPT	
926.0	Benefits - DIR Sales Procurement	164,690	F_SALES	DIRS				DIR_CUSTXT		
926.0	Benefit - DIR Rental	184,681	F_DISTR	CUS			DIR386			
926.0	Emp Pension & Benefits	11,964,970								OML
928.0	Regulatory Commission Expense	1,470,658	F_DISTR	COM		STRREV				
928.0	Regulatory Commission Expense - Other Revenue	13,761	F_DISTR	COM		OTHREV				
928.0	Regulatory Commission Expense - Gas Cost Rel	1,257,763	F_DISTR	COM		GASREV				
928.0	Reg. Comm. Expense - Rate Inc Rel	63,730	F_DISTR	COM		STRREV				
930.1	Gen Advertising Exp	136,659								OM
930.2	Misc. General Expenses	916,354								OM
931.0	Rents	2,395,135								OM
932.0	Maint Of General Plant- DIR	-								GENPLT
932.0	Maint Of General Plant- Gas	2,610,341								GENPLT
	<b>Sub-total</b>	<b>44,122,081</b>								
<b>TOTAL O &amp; M EXPENSES</b>		<b>729,251,883</b>								

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Function	Classifier	DEM	COM	CUS	DIRS	DIRT	Internal
<b>Labor O &amp; M Expenses</b>										
<b>Production Expense - Labor</b>										
710.0	Oper. Supervision and Engineering	-								PROD_OML
717.0	LPG Expenses	142,083	F_PRODU	DEM	PDAYXT					
735.0	Misc. Production Expenses	-	F_PRODU	DEM	PDAYXT					
741.0	Maint. Structures and Improvements	18	F_PRODU	DEM	PDAYXT					
742.0	Maint. Production Equipment	-	F_PRODU	DEM	PDAYXT					
	<b>Sub-total</b>	<b>142,100</b>								
<b>Other Gas Supply Expenses</b>										
807.2	Purchased Gas Expense	174,548	F_PRODU	COM		COM1				
807.4	Purchased Gas Expense	288,954	F_PRODU	COM		COM1XT_COM				
	<b>Sub-total</b>	<b>463,501</b>								
<b>Natural Gas Underground Storage - Labor</b>										
	JP Storage Balancing - DIR	129,366	F_STORG	COM		COM1				
814.0	Operation Supv & Eng	91,057								STOR_OML
818.0	Oper Compressor Sta Exp	93,060								STORPT
841.0	Operating Labor & Expenses	132,047								STORPT
830.0	Maint Supv & Engineering	85,523								STORPT
834.0	Maint Compressor Sta Equip	113,142								STORPT
824.0	Other Expenses	2,633								STORPT
	<b>Sub-total</b>	<b>646,828</b>								
<b>Transmission - Labor</b>										
856.0	Oper Mains Expenses	-	F_TRANS	DEM	PAVG					
857.0	Oper Meas & Reg Sta Exp	-	F_TRANS	DEM	PAVG					
862.0	Maint Structures & Improvements	54,315	F_TRANS	DEM	PAVG					
863.0	Maint Supv & Eng	2,003	F_TRANS	DEM	PAVG					
865.0	Maint Structures	-	F_TRANS	DEM	PAVG					
867.0	Maint Other Equipment	44,107	F_TRANS	DEM	PAVG					
	<b>Sub-total</b>	<b>100,424</b>								

**Puget Sound Energy  
2011 Gas Cost of Service Study  
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Line	Account Description	Proposed Test Year With Gas	Function	Classifier	DEM	COM	CUS	DIRS	DIRT	Internal
<b>Distribution - Labor</b>										
870.0	Oper Supv & Engineering	1,137,435								DIST_OML
871.0	Oper Load Dispatching	271,043	F_DISTR	COM		COM1				
874.0	Oper Mains & Services Exp	5,721,616								DMAINS_SERV
875.0	Oper Meas & Reg Sta Gen	1,264,712	F_DISTR	DEM	PAVG					
876.0	Oper Meas & Reg Sta Indus	162,835								INDUSMR
878.0	Oper Meter & House Reg	4,332,335								MRHREG
879.0	Oper Customer Install Exp	3,822,790								CUSINSTL
880.0	Oper Other Expense	971,620								DISTOM
887.0	Maint Mains	2,161,995								DMAINS
889.0	Maint Meas & Reg Sta Gen	255,513	F_DISTR	DEM	PAVG					
890.0	Maint Meas & Reg Sta Ind	277,235								INDUSMR
892.0	Maint Services	691,032								DSERV
893.0	Maint Meters & House Reg	1,246,098								MRHREG
894.0	Maint Other Equipment	500,339								DMMAINT
	Direct Assign to Sales	569,529	F_SALES	DIRS				DIR_DSALLES		
	Direct Assignment to Transport	34,772	F_TRNSP	DIRT					DIR_DTRNSP	
	<b>Sub-total</b>	<b>23,420,898</b>								
<b>Customer Accounts Expense - Labor</b>										
901.0	Supervision - Customer Accounting	151,944								CUSTACC
902.0	Meter Reading Expenses	410,594								MR_EXP
903.0	Cust. Records & Coll. Exp.	8,850,514								EXP903
905.0	Misc. Customer Accounts Expense	-								CUSTACC
	<b>Sub-total</b>	<b>9,413,051</b>								
<b>Customer Service &amp; Information Expenses - Labor</b>										
908.0	Customer Assistance Expenses	654,453								EXP908
909.0	Information, Instructional Advertising	207,235	F_DISTR	CUS			CUSTXT			
910.0	Misc. Customer Service & Informational Expenses	24,831								EXP908
	<b>Sub-total</b>	<b>886,519</b>								
<b>Sales Expense - Labor</b>										
912.0	Demonstrating and Selling	149,179	F_DISTR	CUS			CUSTXT			
	<b>Sub-total</b>	<b>149,179</b>								
	<b>TOTAL LABOR O &amp; M EXPENSES</b>	<b>35,222,501</b>								

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Function	Classifier	DEM	COM	CUS	DIRS	DIRT	Internal
<b>Depreciation Expense</b>										
403.0	Production Depreciation Expense	60,496								PRODPT
403.0	JP Balancing Depreciation Expense	162,826	F_STORG	COM		COM1				STORPT
403.0	Underground Depreciation Expense	651,305								LSTORPT
403.0	Storage Depreciation Expense	372,262								LSTORPT
403.0	LNG Terminal/Processing Depr Exp	31,447								TRANPT
403.0	Transmission Depreciation Expense	-								DISTPT
403.0	Distribution Depreciation Expense	83,936,573								
403.0	Rental Depreciation Expense	1,372,640	F_DISTR	CUS			DIR386			GENPLT
403.0	General Depreciation Expense	9,203,604								DMAINS
403.1	Depr. Expense - FAS 143	40,518								GENPLT
404.0	Amort. Ltd - Term Plant	12,558,533								DMAINS
407.0	Amortization of Property Losses	-								PLT
407.3	Regulatory Debits	-	F_DISTR	COM		SGTREV				
407.4	Regulatory Credits	-	F_DISTR	COM		SGTREV				
411.0	Accretion Exp - FAS143	219,587								DMAINS
414.0	Gains/Losses Property Sales	(45,370)								GENPLT
	<b>TOTAL DEPRECIATION EXPENSES</b>	<b>108,564,422</b>								
<b>Taxes (other than income)</b>										
408.1	Taxes other than Income Taxes - DIR Sales	147,029	F_SALES	DIRS				DIR408_SALES		
408.1	Taxes other than Income Taxes - DIR Transport	24,630	F_TRNSP	DIRT					DIR408_TRNSPT	
408.1	Other Taxes - DIR Sales Procurement	49,922	F_SALES	DIRS				DIR_CUSTXT		
408.1	Other Taxes - DIR Rental	55,954	F_DISTR	CUS			DIR386			
408.1	Taxes Other Than Income - Excise Taxes	16,280,684	F_DISTR	COM		STRREV				
408.1	Other Taxes - Property Taxes	16,795,783								PLT
408.1	Other Taxes - Payroll Taxes	3,542,830								OML
408.1	Other Taxes - Rate Inc Rel	1,223,165	F_DISTR	COM		STRREV				
408.1	Other Taxes - Gas Cost Rel	24,137,393	F_DISTR	COM		GASREV				
	<b>TOTAL TAXES OTHER THAN INCOME</b>	<b>62,257,390</b>								
	<b>TOTAL EXPENSES</b>	<b>900,073,694</b>								
<b>INCOME TAXES &amp; ITC</b>										
410.1	DIT, utility operating income	59,583,058								BASE
411.1	Provision for DIT - credit	(21,893,341)								BASE
411.4	ITC adjustments	(204,565)								BASE
409.1	FIT Current	(665,778)								BASE
409.1	FIT Current - Rate Incr. Rel.	10,663,552								BASE
	<b>TOTAL INCOME TAXES &amp; ITC</b>	<b>47,482,926</b>								

**Puget Sound Energy  
2011 Gas Cost of Service Study  
Account Inputs**

Line	Account Description	Proposed Test Year With Gas	Function	Classifier	DEM	COM	CUS	DIRS	DIRT	Internal
<b>GAS COSTS</b>										
<b>Demand Costs</b>										
<b>Supply Costs</b>										
	Winter Firm	-	F_GASSP	DEM	SEAS2_DEM					
	Peaking Firm	743,510	F_GASSP	DEM	PDAYXT					
	<b>Sub-total Supply</b>	<b>743,510</b>								
<b>Storage Costs</b>										
	Clay Basin Demand	3,826,383	F_GASSP	DEM	SEAS2_DEM					
	Clay Basin Capacity	3,826,678	F_GASSP	DEM	SEAS2_DEM					
	NW P/L SGS-2 Jackson Prairie Del.	301,295	F_GASSP	DEM	JPTF2_DEM					
	NW P/L SGS-2 Jackson Prairie Deliv. Bal.	75,324	F_GASSP	COM		COM1GS				
	NW P/L SGS-2 Jackson Prairie Capacity	239,109	F_GASSP	DEM	JPTF2_DEM					
	NW P/L SGS-2 Jackson Prairie Cap. Bal.	59,777	F_GASSP	COM		COM1GS				
	NW P/L LS-1 + Gig Harbor LNG Demand	787,929	F_GASSP	DEM	PDAYXT					
	NW P/L/LS-1 + Gig Harbor LNG Capacity	344,942	F_GASSP	DEM	PDAYXT					
	<b>Sub-total Storage</b>	<b>9,461,437</b>								
<b>Pipeline Costs</b>										
	Northwest Pipeline TF-1 Annual Firm	71,190,054	F_GASSP	DEM	TF1_DEM					
	Olympia Lateral Expansion	793,200	F_GASSP	DEM	TF1_DEM					
	Gas Transmission Northwest (GTN)	3,577,161	F_GASSP	DEM	TF1_DEM					
	Westcoast	16,793,948	F_GASSP	DEM	TF1_DEM					
	NOVA & ANG	7,794,045	F_GASSP	DEM	TF1_DEM					
	TF-2 Related to Jackson Prairie	2,750,730	F_GASSP	DEM	JPTF2_DEM					
	TF-2 Related to Jackson Prairie Bal.	687,682	F_GASSP	COM		COM1GS				
	TF-2 Related to LS-1	91,807	F_GASSP	DEM	PDAYXT					
	<b>Sub-total Transportation Costs</b>	<b>103,678,628</b>								
<b>Other</b>										
	Capacity Release	(5,013,661)	F_GASSP	DEM	TF1_DEM					
	<b>Sub-total Other</b>	<b>(5,013,661)</b>								
	<b>TOTAL DEMAND COSTS</b>	<b>108,869,914</b>								



**Puget Sound Energy  
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Line	Account Description	Proposed Test Year With Gas	Function	Classifier	DEM	COM	CUS	DIRS	DIRT	Internal
<b>Variable Costs</b>										
<b>Supply Costs</b>										
	Annual Float Contracts	-	F_GASSP	COM		COM1XT_COM				
	Annual Contracts & Spot Purchases	668,497,000	F_GASSP	COM		COM1XT_COM				
	Peaking Firm	-	F_GASSP	COM		PDAYXT_COM				
	Annual Spot Market	-	F_GASSP	COM		COM1XT_COM				
	Withdrawals	96,648,492	F_GASSP	COM		SEAS2_COM				
	Injections	(91,741,000)	F_GASSP	COM		SEAS2_COM				
	Off System Sales Revenue	(172,606,128)	F_GASSP	COM		COM1XT_COM				
	Adjust for Rate Case Volumes	(10,132,258)	F_GASSP	COM		COM1XT_COM				
	Adjust for Rate Case Costs	(3,292,353)	F_GASSP	COM		COM1XT_COM				
	<b>Sub-total Variable Supply Costs</b>	<b>487,373,753</b>								
<b>Storage Costs</b>										
	SGS-2 Jackson Prairie Commodity	149,600	F_GASSP	COM		JPTF2_COM				
	SGS-2 Jackson Prairie Commodity Balancing	37,400	F_GASSP	COM		COM1GS				
	LS-1 + Gig Harbor LNG Liquefaction	139,119	F_GASSP	COM		PDAYXT_COM				
	LS-1 + Gig Harbor LNG Vaporization	9,247	F_GASSP	COM		PDAYXT_COM				
	Clay Basin	939,000	F_GASSP	COM		SEAS2_COM				
	<b>Sub-total Variable Storage Costs</b>	<b>1,274,365</b>								
<b>Pipeline Costs</b>										
	TF-1 Commodity Costs	2,729,512	F_GASSP	COM		TF1_COM				
	TF-2 Related to Jackson Prairie	247,435	F_GASSP	COM		JPTF2_COM				
	TF-2 Related to Jackson Prairie Bal.	61,859	F_GASSP	COM		COM1GS				
	TF-2 Related to LS-1	8,256	F_GASSP	COM		PDAYXT_COM				
	Gas Transmission Northwest (GTN)	178,000	F_GASSP	COM		TF1_COM				
	Westcoast	-	F_GASSP	COM		TF1_COM				
	NOVA & ANG	192,000	F_GASSP	COM		TF1_COM				
	<b>Sub-total Variable Pipeline Costs</b>	<b>3,417,062</b>								
	<b>TOTAL VARIABLE COSTS</b>	<b>492,065,180</b>								
	<b>TOTAL GAS COSTS</b>	<b>600,935,094</b>								
<b>REVENUE</b>										
412.0	Lease Inc Everett Delta to NWP - Gas	-	PA_MAINS							
480,481	Gas Revenues	628,515,103	GASREV							
480,481	Res., Comm. & Indus. Sales	397,809,126	SALESREV							
489.0	Rev From Transp. of Gas To Others	14,098,005	TRANSREV							
	Other Operating Revenue	6,760,042	OTHREV							
	Rental Revenue	8,138,782	DIR386							
489.4	Gas Revenues from Storing Gas of Others	-	OTHREV							
	<b>TOTAL REVENUE</b>	<b>1,055,321,057</b>								