

EXHIBIT NO. ____ (DWH-3)
DOCKET NO. UE-07 ____
2007 PSE PCORC
WITNESS: DAVID W. HOFF

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

Docket No. UE-07 ____

**SECOND EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF
DAVID W. HOFF
ON BEHALF OF PUGET SOUND ENERGY, INC.**

MARCH 20, 2007

**Puget Sound Energy
Calculation of Schedule 95 Rate**

Line No.	Customer Class	a	b = 80%*(a/ SUM a)	c	d = 20%*(c/ SUM c)	e = b + d	f	g = e * f	h	i = (g / h) * 100
		UE-060266 Energy Allocator (Note 1)	Energy	UE-060266 Demand Allocator 3B (Note 2)	Demand	Peak Credit Weighted Allocation Factor	Revenue Deficiency (Note 3)	2007 PCA Rev Req	Test Year kWh 1-06 to 12-06	Additional Sch 95 ¢ per kWh
1	Residential	11,074,901,353	40.7184%	2,322,157	11.8670%	52.5854%		\$ 34,012,645	10,724,249,620	0.3172 ¢
2										
3	Sec Gen Svc - Small	2,683,528,686	9.8664%	478,263	2.4441%	12.3104%		\$ 7,962,493	2,607,836,604	0.3053 ¢
4	Sec Gen Svc - Medium	3,177,197,381	11.6814%	501,441	2.5625%	14.2439%		\$ 9,213,089	3,027,461,537	0.3042 ¢
5	Sec Gen Svc - Large	2,062,251,046	7.5822%	273,988	1.4002%	8.9823%		\$ 5,809,836	2,038,289,747	0.2850 ¢
6	Sec Irrigation Svc	14,325,693	0.0527%	1,452	0.0074%	0.0601%		\$ 38,867	15,507,082	0.2506 ¢
7										
8	Pri Gen Svc	1,447,496,457	5.3219%	197,758	1.0106%	6.3325%		\$ 4,095,930	1,368,955,392	0.2992 ¢
9	Pri Irrigation Svc	5,908,253	0.0217%	4	0.0000%	0.0217%		\$ 14,064	4,659,814	0.3018 ¢
10	Pri Interruptible Svc	178,979,205	0.6580%	-	0.0000%	0.6580%		\$ 425,627	168,723,970	0.2523 ¢
11										
12	Campus	529,479,440	1.9467%	65,751	0.3360%	2.2827%		\$ 1,476,477	557,712,319	0.2647 ¢
13										
14	HV - Sch 46	55,608,634	0.2045%	-	0.0000%	0.2045%		\$ 132,242	48,973,750	0.2700 ¢
15	HV - Sch 49	430,728,526	1.5836%	57,086	0.2917%	1.8754%		\$ 1,212,999	506,697,426	0.2394 ¢
16										
17	Lights	90,870,594	0.3341%	14,168	0.0724%	0.4065%		\$ 262,928	81,033,850	0.3245 ¢
18										
19	Firm Resale - Small	7,731,003	0.0284%	1,580	0.0081%	0.0365%		\$ 23,607	7,467,925	0.3161 ¢
20										
21	Subtotal	21,759,006,271	80.0000%	3,913,648	20.0000%	100.0000%	\$ 64,680,804	\$ 64,680,804	21,157,569,036	0.3057 ¢
22										
23	Transportation Special Contract	148,825,087		16,887					148,418,633	
24	Transportation	2,086,458,169		253,272					2,097,446,501	
25										
26	Total	23,994,289,527		4,183,807					23,403,434,170	
Note 1 - Source: Docket Nos. UE-060266 and UG-060267, Cost of Service Workpapers, pages 3 & 6, "ENERGY_1" Allocator Note 2 - Source: Docket Nos. UE-060266 and UG-060267, Cost of Service Workpapers, pages 5 & 8, "DEM_3B" Allocator Note 3 - Source: Docket No. UE-07____, Exhibit No.____(JHS-7)										

Puget Sound Energy Description of Calculations on Exhibit

Page No.	Column No.	Description
Page 1		
	Column (a)	Total annual kWh consumption for each schedule for the GRC (Docket No. UE-060266) test period
	Column (b)	Energy related weighted portion of the peak credit (PC) weighted allocation factors and is equal to the prorata share of each schedule's total annual consumption for the test period to the system total times the energy related PC Factor, in this case 80%.
	Column (c)	Schedule level total demand during the top 75 hours of system demand for the GRC (Docket No. UE-060266) test period.
	Column (d)	Demand related weighted portion of the PC weighted allocation factors and is equal to the prorata share of each schedule's contribution to the top 75 system peak hours for the test period times the demand related PC Factor, in this case 20%.
	Column (e)	Resulting PC weighted allocation factor for each schedule and is equal to the sum of Columns (b) and (d). Using Column (e), the proposed power cost (\$64,680,804) revenue deficiency from Exhibit No. ____ (JHS-7) is allocated to all applicable schedules.
	Column (f)	The proposed power cost (\$64,680,804) revenue deficiency from Exhibit No. (JHS-7).
	Column (g)	Result of multiplying Column (e) by the proposed power cost (\$64,680,804) revenue deficiency from Column (f) to allocate the power cost or production tax credit to all applicable schedules.
	Column (h)	Test year pro forma volumes (YE 12/06) for each schedule.
	Column (i)	Cents / kWh amount to be charged to customers on each of the applicable schedules is shown in and is equal to Column (g) divided by the test year pro forma volumes (YE 12/06) for each schedule as shown in Column (h).