

**EXHIBIT NO. ___(JKP-8)
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___**

**SEVENTH 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
External Allocators

Name	Description	Classifier	Total	Residential (16,23,53)	Comm. & Indus. (31,61)	Large Volume (41,41T)	Interruptible (85, 85T)	Limited Interruptible (86, 86T)	Non-Exclusive Interruptible (87, 87T)	Contracts	Rentals
CUSTOMER EXTERNAL ALLOCATORS											
CUST	Average Customers	CUS	750,674	92.46%	7.26%	0.21%	0.02%	0.05%	0.00%	0.00%	0.00%
				694,085	54,501	1,583	132	339	22	12	-
CUSTXT	Customers (excl. transport)	CUS	750,504	92.48%	7.26%	0.20%	0.00%	0.05%	0.00%	0.00%	0.00%
				694,085	54,501	1,537	34	338	9	-	-
DIR_CUSTXT	Customers (excl. transport)	DIRS	750,504	92.48%	7.26%	0.20%	0.00%	0.05%	0.00%	0.00%	0.00%
				694,085	54,501	1,537	34	338	9	-	-
MTRS_CUS	Customer Meters - Acc 381	CUS	144,605,706	76.87%	22.18%	0.75%	0.07%	0.13%	0.00%	0.00%	0.00%
				111,161,347	32,070,678	1,078,306	99,716	193,532	-	2,126	-
MTRS_INST	Meters Installation - Acc 382	CUS	32,249,076	92.39%	7.48%	0.10%	0.01%	0.02%	0.00%	0.00%	0.00%
				29,794,298	2,412,183	33,450	3,216	5,846	-	84	-
MTRS_385	Regulators - Acc 385	CUS	22,450,610	0.48%	55.28%	21.39%	12.19%	5.10%	3.64%	1.91%	0.00%
				107,585	12,411,578	4,802,950	2,736,388	1,145,320	817,490	429,300	-
SERV	Services	CUS	944,945	73.45%	25.63%	0.76%	0.00%	0.16%	0.00%	0.00%	0.00%
				694,085	242,144	7,179	-	1,537	-	-	-
DIR380	Distr. Plant - Services	CUS	2,784,248	0.00%	0.00%	0.00%	79.16%	0.00%	11.64%	9.20%	0.00%
				-	-	-	2,203,904	-	324,197	256,147	-
DIR252	Cust. Adv. in Aid of Construction (# cust	CUS	750,138	92.53%	7.26%	0.21%	0.00%	0.00%	0.00%	0.00%	0.00%
				694,078	54,477	1,583					
DIR386	Rental Property	CUS	1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
											1
DIR_DSALES	Direct Distr. Assignment to Sales	DIRS	1,809,122	0.70%	45.87%	15.03%	1.84%	3.58%	0.26%	0.00%	32.73%
				12,590	829,841	271,912	33,241	64,686	4,794	-	592,058
DIR_DTRNSP	Direct Distr. Assignment to Transpor	DIRT	80,330	0.00%	0.00%	19.12%	60.45%	0.25%	9.60%	10.59%	0.00%
				-	-	15,356	48,558	198	7,714	8,504	-
DIR_CASALES	Direct Cust. Acct. Assignment to Sales	DIRS	606,069	0.35%	58.78%	9.40%	14.30%	5.48%	11.70%	0.00%	0.00%
				2,148	356,233	56,968	86,640	33,187	70,892	-	-
DIR_CATRNSP	Direct Cust. Acct. Assignment to Transpor	DIRT	126,936	0.00%	0.00%	30.53%	40.89%	0.03%	18.30%	10.25%	0.00%
				-	-	38,754	51,906	37	23,228	13,010	-

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DIR_CSISALES_908	Direct Cust. Service Assignment to Sales_90€	DIRS	266,307	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
				-	-	-	-	-	-	-	266,307
DIR_CSITRNSP_908	Direct Cust. Service Assignment to Transport_90€	DIRT	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
				-	-	-	-	-	-	-	-
TRANSCUS	Transport Customers	DIRT	170	0.00%	0.00%	27.10%	57.63%	0.59%	7.61%	7.07%	0.00%
				-	-	46	98	1	13	12	-
SALES_902	Sales Meter Reading Costs	DIRS	12,052,659	89.93%	9.11%	0.67%	0.11%	0.16%	0.02%	0.00%	0.00%
				10,839,488	1,097,502	80,699	13,325	18,891	2,755	-	-
TRANS_902	Transport Meter Reading Costs	DIRT	40,836	0.00%	0.00%	14.98%	63.08%	0.00%	10.90%	11.05%	0.00%
				-	-	6,115	25,760	-	4,450	4,510	-
DIR_CSI_910	Direct Cust. Service Assignment to 91C	CUS	33,112	0.00%	62.02%	10.16%	13.34%	1.97%	10.82%	1.69%	0.00%
				-	20,534	3,365	4,418	651	3,583	560	-
DIR904	Uncollectibles	CUS	20,831,363	81.44%	16.57%	1.02%	0.06%	0.10%	0.00%	0.00%	0.81%
				16,965,729	3,452,213	212,447	11,764	19,818	-	-	169,391
DIR235	Customer Deposit	CUS	4,825,521	75.15%	24.34%	0.51%	0.00%	0.00%	0.00%	0.00%	0.00%
				3,626,395	1,174,399	24,726	-	-	-	-	-
DIR920_TRNSPT	Acct. 920 Direct Assignment to Transport	DIRT	66,491	0.00%	0.00%	14.66%	63.35%	0.00%	10.99%	10.99%	0.00%
						9,747	42,123		7,311	7,311	
DIR921_TRNSPT	Acct. 921 Direct Assignment to Transport	DIRT	1,617	0.00%	0.00%	14.66%	63.35%	0.00%	10.99%	10.99%	0.00%
						237	1,025		178	178	
DIR926_SALES	Acct. 926 Direct Assignment to Sales	DIRS	484,240	0.99%	64.64%	17.07%	7.35%	5.19%	4.76%	0.00%	0.00%
				4,794	313,026	82,636	35,612	25,119	23,053		
DIR926_TRNSPT	Acct. 926 Direct Assignment to Transport	DIRT	81,596	0.00%	0.00%	21.96%	52.30%	1.19%	13.78%	10.77%	0.00%
				-	-	17,921	42,676	970	11,242	8,787	
DIR408_SALES	Acct. 408 Direct Assignment to Sales	DIRS	147,029	0.99%	64.68%	17.10%	7.30%	5.19%	4.73%	0.00%	0.00%
				1,453	95,103	25,143	10,736	7,633	6,962		
DIR408_TRNSPT	Acct. 408 Direct Assignment to Transport	DIRT	24,630	0.00%	0.00%	22.00%	52.43%	0.99%	13.78%	10.80%	0.00%
				-	-	5,418	12,912	245	3,394	2,660	

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COMMODITY EXTERNAL ALLOCATORS											
OTHREV	Other Operating Revenue	COM	6,760,042	67.31%	28.58%	1.80%	0.93%	0.38%	0.54%	0.00%	0.47%
				4,549,895	1,932,279	121,667	62,598	25,836	36,239	25	31,504
SALESREV	Sales Margin Revenue	COM	397,809,126	72.71%	21.46%	4.16%	0.48%	0.76%	0.43%	0.00%	0.00%
				289,229,013	85,374,213	16,561,409	1,891,753	3,029,030	1,723,707	-	-
GASREV	Gas Cost Recovery Revenue	COM	628,515,103	62.80%	23.00%	7.69%	1.85%	1.49%	3.17%	0.00%	0.00%
				394,704,822	144,583,285	48,354,809	11,608,811	9,365,238	19,898,138	-	-
STRREV	Sales, Transportation and Rental Margin Revenue	COM	420,045,912	68.86%	20.32%	4.33%	2.04%	0.73%	1.39%	0.39%	1.94%
				289,229,013	85,374,213	18,192,109	8,563,124	3,045,621	5,844,435	1,658,616	8,138,782
TRANSREV	Margin Revenue from Transportation for Others	COM	14,098,005	0.00%	0.00%	11.57%	47.32%	0.12%	29.23%	11.76%	0.00%
				-	-	1,630,699	6,671,371	16,591	4,120,728	1,658,616	-
SGTREV	Sales, Gas & Transportation Revenue	COM	1,040,422,233	65.74%	22.10%	6.40%	1.94%	1.19%	2.47%	0.16%	0.00%
				683,933,835	229,957,498	66,546,917	20,171,935	12,410,860	25,742,573	1,658,616	-
STREV	Sales & Transportation Margin Revenue	COM	411,907,131	70.22%	20.73%	4.42%	2.08%	0.74%	1.42%	0.40%	0.00%
				289,229,013	85,374,213	18,192,109	8,563,124	3,045,621	5,844,435	1,658,616	-
COM1	Weather Normalized Volumes	COM	1,089,556,625	50.30%	18.58%	7.10%	7.54%	1.28%	11.90%	3.30%	0.00%
				548,039,263	202,387,050	77,382,831	82,190,712	13,962,361	129,614,230	35,980,178	-
COM1XT_COM	Weather Normalized Volumes (excl. Transportation)	COM	881,204,631	62.19%	22.97%	7.89%	1.96%	1.58%	3.41%	0.00%	0.00%
				548,039,263	202,387,050	69,568,257	17,284,828	13,889,578	30,035,655	-	-
SEAS3_COM	Seasonal 3	COM	1.0000	70.37%	21.48%	3.94%	1.00%	1.50%	1.71%	0.00%	0.00%
				0.7037	0.2148	0.0394	0.0100	0.0151	0.0171	-	-
COM1GS	Weather Normalized Volumes	COM	1,089,556,625	50.30%	18.58%	7.10%	7.54%	1.28%	11.90%	3.30%	0.00%
				548,039,263	202,387,050	77,382,831	82,190,712	13,962,361	129,614,230	35,980,178	-
PDAYXT_COM	Peak Day (excl. transport)	COM	8,817,675	71.07%	24.60%	4.12%	0.11%	0.09%	0.01%	0.00%	0.00%
				6,266,897	2,168,971	362,862	10,036	8,376	532	-	-
TF1_COM	TF-1 Allocator (Annual, Winter & Peak Day Sales)	COM	1.0000	65.88%	23.21%	6.25%	1.30%	1.15%	2.20%	0.00%	0.00%
				0.6588	0.2321	0.0625	0.0130	0.0115	0.0220	-	-
SEAS2_COM	Seasonal 2	COM	570,409,261	65.14%	22.43%	6.47%	1.62%	1.55%	2.79%	0.00%	0.00%
				371,559,601	127,953,449	36,899,614	9,213,877	8,845,157	15,937,563	-	-
JPTF2_COM	TF-2 Allocator (Seasonal Sales & Peak Day x Transport)	COM	1.0000	70.46%	24.38%	4.36%	0.27%	0.24%	0.30%	0.00%	0.00%
				0.7046	0.2438	0.0436	0.0027	0.0024	0.0030	-	-

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DEMAND EXTERNAL ALLOCATORS											
PAVG	Peak and Average	DEM	1.0000	63.31%	22.30%	5.29%	2.99%	0.49%	4.24%	1.38%	0.00%
				0.6331	0.2230	0.0529	0.0299	0.0049	0.0424	0.0138	-
PA_MAINS	Peak and Average for Mains	DEM	1,340,632.646	64.78%	22.84%	5.49%	2.58%	0.52%	2.80%	0.99%	0.00%
				868,501,772	306,194,928	73,658,145	34,538,773	6,996,445	37,536,108	13,206,476	-
PDAY	Peak Day (Design Day)	DEM	8,981,179	69.78%	24.15%	4.40%	0.72%	0.09%	0.43%	0.43%	0.00%
				6,266,897	2,168,971	395,202	64,993	8,376	38,256	38,483	-
PDAYXT	Peak Day (excl. transport)	DEM	8,817,675	71.07%	24.60%	4.12%	0.11%	0.09%	0.01%	0.00%	0.00%
				6,266,897	2,168,971	362,862	10,036	8,376	532	-	-
SEAS2_DEM	Seasonal 2	DEM	570,409.261	65.14%	22.43%	6.47%	1.62%	1.55%	2.79%	0.00%	0.00%
				371,559,601	127,953,449	36,899,614	9,213,877	8,845,157	15,937,563	-	-
SEAS3_DEM	Seasonal 3	DEM	1.0000	70.37%	21.48%	3.94%	1.00%	1.50%	1.71%	0.00%	0.00%
				0.7037	0.2148	0.0394	0.0100	0.0151	0.0171	-	-
JPTF2_DEM	TF-2 Allocator (Seas.Sales & Peak Day x Transport)	DEM	1.0000	70.46%	24.38%	4.36%	0.27%	0.24%	0.30%	0.00%	0.00%
				0.7046	0.2438	0.0436	0.0027	0.0024	0.0030	-	-
COM1XT_DEM	Weather Normalized Volumes x Transpor	DEM	881,204.631	62.19%	22.97%	7.89%	1.96%	1.58%	3.41%	0.00%	0.00%
				548,039,263	202,387,050	69,568,257	17,284,828	13,889,578	30,035,655	-	-
TF1_DEM	TF-1 Allocator (Annual, Winter & Peak Day Sales	DEM	1	65.88%	23.21%	6.25%	1.30%	1.15%	2.20%	0.00%	0.00%
				0.6588	0.2321	0.0625	0.0130	0.0115	0.0220	-	-

**Puget Sound Energy
2011 Gas Cost of Service Study
Internal Allocation Factors**

Name	Description	Total
INDUSMR	Industrial Measurement & Regulation (Acct. 385)	38,752,669
MRHREG	Meters & House Regulators (Accts. 381 & 383)	75,842,061
CUSINSTL	Customer Installation (Accts. 382 & 384)	209,906,053
PLT	Plant - Prod., Stor.(x JP Bal.), Trans., Distr.	2,586,852,715
OML	O&M Labor Expense (excluding JP Balancing Exp.)	35,093,136
PRODPT	Production Plant	6,104,831
DISTPT	Distribution Plant excluding Rentals	2,464,452,194
PLTXR	Plant excluding Rentals	2,558,996,013
PROD_OML	Production O&M Labor Exp. (Accounts 717 - 742)	142,100
GAS	Gas Costs	600,935,094
STORPT	Underground Storage Plant	32,248,090
DIST_OML	Distribution O&M Labor Exp. (Accounts 871 - 894)	22,283,463

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Internal Allocation Factors**

Name	Description	Total
DMAINS	Mains Plant (Account 376)	1,340,632,646
CUSTACC	Customer Account Expense (Accounts 902 - 904)	28,384,207
CSI	Customer Service & Information Expense (Accounts 908 & 909)	925,763
OM	O&M Expenses Excluding Gas & A&G	81,899,125
BASE	Rate Base	1,658,305,524
MR_EXP	Meter Reading Expenses	12,353,731
STOR_OML	Underground Storage O&M Labor (Excluding JP Bal.)	426,405
GENPLT	General Plant	129,673,118
DSERV	Distribution Service Plant (Account 380)	712,592,458
DMAINS_SERV	Distribution Mains & Services Plant (Accounts 376 & 380)	2,053,225,104
NETPLT	Net Plant - Prod., Stor. (x JP Bal.), Trans., Distr.	1,739,735,224

**Puget Sound Energy
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Internal Allocation Factors**

Name	Description	Total
LNGPLT	Local Storage (LNG) Plant	14,310,230
DISTOM	Distribution O&M Operating Exp. (Accounts 871 - 879)	28,940,999
DMAINT	Distr. O&M Maintenance (Accounts 887 - 893)	14,146,179
EXP903	Customer Collection & Record Expenses (Account 903)	14,599,214
EXP908	Customer Assistance Expenses (Account 908)	482,674
EXP912	Demonstrating & Selling Expenses (Account 912)	186,002
LSTORPT	Local Storage Plant	14,310,230