

EXHIBIT NO. ___(JKP-4)
DOCKET NO. UE-06 ___/UG-06 ___
2006 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-06 ___
Docket No. UG-06 ___

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

FEBRUARY 15, 2006

**Puget Sound Energy - Gas Cost of Service Study
Excluding Gas Costs and Revenues
Summary**

Line No.	Description	Total Company	Residential (23,16,53,94)	Comm. & Indus. (31,36,51,61,97)	Large Volume (41)	Interruptible (85)	Limited Interruptible (86)	Non-Exclusive Interruptible (87)	Transportation (57)	Transport Contracts (99,199,299)	CNG Service (50)	Rentals
	(a)	(b)	(c)	(d)	(e)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Rate Base												
1	Plant in Service	2,007,824,275	1,357,211,661	454,446,251	58,529,730	7,803,718	14,991,940	9,476,149	43,107,194	9,708,786	3,814,329	48,734,517
2	Accumulated Reserve	(650,209,813)	(444,540,830)	(149,368,469)	(17,333,078)	(2,368,834)	(4,558,419)	(2,772,733)	(12,561,487)	(2,783,088)	(1,407,789)	(12,515,087)
3	Other Rate Base Items	(177,262,719)	(114,032,038)	(45,978,070)	(5,195,977)	(604,633)	(1,213,360)	(712,806)	(3,746,125)	(835,856)	5,350	(4,949,204)
4	TOTAL RATE BASE	\$ 1,180,351,744	\$ 798,638,794	\$ 259,099,712	\$ 36,000,675	\$ 4,830,251	\$ 9,220,161	\$ 5,990,610	\$ 26,799,582	\$ 6,089,842	\$ 2,411,890	\$ 31,270,227
Revenue at Existing Rates												
5	Gas Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Base Rate Revenues	\$ 283,749,181	\$ 193,859,002	\$ 59,026,233	\$ 9,953,139	\$ 1,794,850	\$ 3,950,032	\$ 2,087,372	\$ 11,449,972	\$ 1,615,763	\$ 12,818	\$ -
7	Other Revenues	\$ 17,055,092	\$ 6,668,381	\$ 1,618,025	\$ 194,038	\$ 115,923	\$ 93,167	\$ 91,020	\$ 366,988	\$ 61,077	\$ 89	\$ 7,846,383
8	TOTAL REVENUE	\$ 300,804,273	\$ 200,527,383	\$ 60,644,258	\$ 10,147,177	\$ 1,910,773	\$ 4,043,199	\$ 2,178,392	\$ 11,816,961	\$ 1,676,839	\$ 12,907	\$ 7,846,383
Expenses												
9	Gas Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Other Operation and Maintenance	\$ 99,817,010	\$ 74,388,084	\$ 18,499,130	\$ 1,794,153	\$ 430,670	\$ 597,458	\$ 437,348	\$ 1,988,741	\$ 494,224	\$ 384,208	\$ 802,995
11	Depreciation Expense	\$ 77,130,217	\$ 47,093,349	\$ 16,021,711	\$ 2,119,105	\$ 283,928	\$ 545,704	\$ 363,147	\$ 1,460,910	\$ 323,106	\$ 66,116	\$ 8,853,141
12	Taxes Other Than Income	\$ 26,467,827	\$ 17,629,886	\$ 6,133,248	\$ 800,590	\$ 108,778	\$ 205,861	\$ 128,242	\$ 602,884	\$ 136,395	\$ 3,561	\$ 718,382
13	Deferred Income Taxes & ITC	\$ 8,180,050	\$ 5,461,755	\$ 1,863,492	\$ 256,339	\$ 32,406	\$ 63,863	\$ 40,007	\$ 184,598	\$ 41,456	\$ 122	\$ 236,010
14	Income Taxes	\$ 10,947,849	\$ 6,903,986	\$ 2,247,162	\$ 610,779	\$ 122,238	\$ 302,861	\$ 140,478	\$ 872,825	\$ 81,288	\$ (49,572)	\$ (284,196)
15	TOTAL EXPENSES	\$ 222,542,953	\$ 151,477,060	\$ 44,764,743	\$ 5,580,966	\$ 978,021	\$ 1,715,747	\$ 1,109,222	\$ 5,109,958	\$ 1,076,469	\$ 404,435	\$ 10,326,332
16	Operating Income	\$ 78,261,320	\$ 49,050,323	\$ 15,879,515	\$ 4,566,212	\$ 932,752	\$ 2,327,452	\$ 1,069,170	\$ 6,707,003	\$ 600,370	\$ (391,528)	\$ (2,479,949)
17	Present Rate of Return	6.6303%	6.1417%	6.1287%	12.6837%	19.3106%	25.2431%	17.8474%	25.0265%	9.8586%	-16.2332%	-7.9307%
18	Revenue/Cost Ratio	0.8815	0.8632	0.8541	1.1376	1.3791	1.6675	1.3401	1.6465	1.0085	0.0180	0.5589
Cost of Service Requirement Given Equal Rates of Return												
19	Required Return	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%
20	Required Operating Income	\$ 103,398,813	\$ 69,960,758	\$ 22,697,135	\$ 3,153,659	\$ 423,130	\$ 807,686	\$ 524,777	\$ 2,347,643	\$ 533,470	\$ 211,282	\$ 2,739,272
21	Operating Income (Deficiency)/Surplus	\$ (25,137,492)	\$ (20,910,436)	\$ (6,817,620)	\$ 1,412,552	\$ 509,622	\$ 1,519,766	\$ 544,393	\$ 4,359,359	\$ 66,900	\$ (602,809)	\$ (5,219,221)
Expenses												
22	Gas Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Other Operation and Maintenance	\$ 100,031,457	\$ 74,541,196	\$ 18,552,107	\$ 1,796,848	\$ 431,156	\$ 598,528	\$ 437,913	\$ 1,991,841	\$ 494,661	\$ 384,211	\$ 802,995
24	Depreciation Expense	\$ 77,130,217	\$ 47,093,349	\$ 16,021,711	\$ 2,119,105	\$ 283,928	\$ 545,704	\$ 363,147	\$ 1,460,910	\$ 323,106	\$ 66,116	\$ 8,853,141
25	Taxes Other Than Income	\$ 28,020,293	\$ 18,671,443	\$ 6,490,769	\$ 847,457	\$ 114,706	\$ 217,641	\$ 135,426	\$ 636,016	\$ 143,760	\$ 3,583	\$ 759,492
26	Deferred Income Taxes & ITC	\$ 8,180,050	\$ 5,461,755	\$ 1,863,492	\$ 256,339	\$ 32,406	\$ 63,863	\$ 40,007	\$ 184,598	\$ 41,456	\$ 122	\$ 236,010
27	Income Taxes	\$ 24,483,422	\$ 16,565,749	\$ 5,374,370	\$ 746,743	\$ 100,191	\$ 191,249	\$ 124,260	\$ 555,890	\$ 126,318	\$ 50,029	\$ 648,622
27	TOTAL EXPENSES	\$ 237,845,439	\$ 162,333,493	\$ 48,302,450	\$ 5,766,492	\$ 962,388	\$ 1,616,984	\$ 1,100,753	\$ 4,829,255	\$ 1,129,302	\$ 504,061	\$ 11,300,260
28	REVENUE REQUIREMENT	\$ 341,244,251	\$ 232,294,251	\$ 70,999,584	\$ 8,920,151	\$ 1,385,518	\$ 2,424,670	\$ 1,625,531	\$ 7,176,899	\$ 1,662,772	\$ 715,343	\$ 14,039,532
29	Other Revenues	\$ 9,240,338	\$ 6,668,381	\$ 1,618,025	\$ 194,038	\$ 115,923	\$ 93,167	\$ 91,020	\$ 366,988	\$ 61,077	\$ 89	\$ 31,629
30	RATE SCHEDULE REVENUE REQUIREMENT	\$ 332,003,913	\$ 225,625,870	\$ 69,381,559	\$ 8,726,113	\$ 1,269,595	\$ 2,331,503	\$ 1,534,510	\$ 6,809,910	\$ 1,601,695	\$ 715,254	\$ 14,007,903
31	Revenue (Deficiency)/Surplus	\$ (40,439,978)	\$ (31,766,868)	\$ (10,355,326)	\$ 1,227,026	\$ 525,255	\$ 1,618,529	\$ 552,862	\$ 4,640,062	\$ 14,068	\$ (702,436)	\$ (6,193,149)
Proposed Revenue Requirement												
32	Proposed Return	8.7600%	8.5365%	8.3372%	12.4454%	18.3853%	23.4336%	17.0030%	23.2380%	8.9674%	-14.6987%	-4.3035%
33	Proposed Operating Income	\$ 103,398,798	\$ 68,176,040	\$ 21,601,532	\$ 4,480,429	\$ 888,057	\$ 2,160,615	\$ 1,018,582	\$ 6,227,683	\$ 546,103	\$ (354,516)	\$ (1,345,726)
34	Income Taxes	\$ 24,483,418	\$ 16,143,152	\$ 5,114,947	\$ 1,060,904	\$ 210,280	\$ 511,604	\$ 241,186	\$ 1,474,630	\$ 129,310	\$ (83,945)	\$ (318,650)
35	Expenses Other Than Income Taxes	\$ 213,362,017	\$ 145,767,744	\$ 42,928,079	\$ 5,019,749	\$ 862,197	\$ 1,425,735	\$ 976,493	\$ 4,273,366	\$ 1,002,983	\$ 454,033	\$ 10,651,638
36	RATE SCHEDULE REVENUE REQUIREMENT	\$ 332,003,895	\$ 223,418,555	\$ 68,026,533	\$ 10,367,044	\$ 1,844,610	\$ 4,004,787	\$ 2,145,241	\$ 11,608,690	\$ 1,617,319	\$ 15,483	\$ 8,955,633
37	Other Revenues	\$ 9,240,338	\$ 6,668,381	\$ 1,618,025	\$ 194,038	\$ 115,923	\$ 93,167	\$ 91,020	\$ 366,988	\$ 61,077	\$ 89	\$ 31,629
38	REVENUE REQUIREMENT	\$ 341,244,233	\$ 230,086,936	\$ 69,644,558	\$ 10,561,082	\$ 1,960,533	\$ 4,097,954	\$ 2,236,261	\$ 11,975,678	\$ 1,678,396	\$ 15,572	\$ 8,987,262
39	Revenue/Cost Ratio	1.0000	0.9905	0.9809	1.1840	1.4150	1.6901	1.3757	1.6686	1.0094	0.0218	0.6401

Puget Sound Energy - Gas Cost of Service Study
Excluding Gas Costs and Revenues
Functional Rate Base

	System Total	Residential (23,16,53,94)	Comm. & Indus. (31,36,51,61,97)	Large Volume (41)	Interruptible (85)	Limited Interruptible (86)	Non-Exclusive Interruptible (87)	Transportation (57)	Transport Contracts (99,199,299)	CNG Service (50)	Rentals
Gas Supply											
Demand	\$ 2,222,571	\$ 1,530,248	\$ 579,456	\$ 98,232	\$ 5,787	\$ 8,365	\$ 441	\$ -	\$ -	\$ 43	\$ -
Commodity	\$ 1,537,859	\$ 886,668	\$ 356,694	\$ 89,416	\$ 26,910	\$ 32,107	\$ 66,263	\$ 65,208	\$ 14,536	\$ 55	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 3,760,430	\$ 2,416,916	\$ 936,150	\$ 187,648	\$ 32,697	\$ 40,472	\$ 66,703	\$ 65,208	\$ 14,536	\$ 98	\$ -
Storage											
Demand	\$ 23,834,916	\$ 16,514,645	\$ 5,652,576	\$ 440,937	\$ 229,287	\$ 474,305	\$ 523,166	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 2,479,840	\$ 1,217,983	\$ 489,978	\$ 122,827	\$ 36,966	\$ 44,105	\$ 91,023	\$ 389,953	\$ 86,929	\$ 76	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 26,314,755	\$ 17,732,628	\$ 6,142,553	\$ 563,765	\$ 266,253	\$ 518,410	\$ 614,189	\$ 389,953	\$ 86,929	\$ 76	\$ -
Transmission											
Demand	\$ 100,427,478	\$ 61,803,938	\$ 23,786,726	\$ 4,562,797	\$ 665,417	\$ 837,435	\$ 1,227,261	\$ 6,044,874	\$ 1,496,770	\$ 2,260	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 100,427,478	\$ 61,803,938	\$ 23,786,726	\$ 4,562,797	\$ 665,417	\$ 837,435	\$ 1,227,261	\$ 6,044,874	\$ 1,496,770	\$ 2,260	\$ -
Distribution											
Demand	\$ 533,414,543	\$ 341,236,224	\$ 132,006,004	\$ 25,576,931	\$ 2,697,415	\$ 4,979,878	\$ 3,608,122	\$ 17,068,185	\$ 3,887,522	\$ 2,354,263	\$ -
Commodity	\$ 459,178	\$ 225,527	\$ 90,726	\$ 22,743	\$ 6,845	\$ 8,167	\$ 16,854	\$ 72,205	\$ 16,096	\$ 14	\$ -
Customer	\$ 515,975,360	\$ 375,223,562	\$ 96,137,553	\$ 5,086,790	\$ 1,161,625	\$ 2,835,798	\$ 457,480	\$ 3,159,157	\$ 587,989	\$ 55,180	\$ 31,270,227
Sub-total	\$ 1,049,849,081	\$ 716,685,312	\$ 228,234,283	\$ 30,686,465	\$ 3,865,884	\$ 7,823,843	\$ 4,082,456	\$ 20,299,547	\$ 4,491,607	\$ 2,409,457	\$ 31,270,227
Gas Costs											
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL											
Demand	\$ 659,899,507	\$ 421,085,054	\$ 162,024,761	\$ 30,678,898	\$ 3,597,906	\$ 6,299,983	\$ 5,358,990	\$ 23,113,060	\$ 5,384,291	\$ 2,356,565	\$ -
Commodity	\$ 4,476,876	\$ 2,330,178	\$ 937,398	\$ 234,987	\$ 70,721	\$ 84,379	\$ 174,140	\$ 527,366	\$ 117,562	\$ 145	\$ -
Customer	\$ 515,975,360	\$ 375,223,562	\$ 96,137,553	\$ 5,086,790	\$ 1,161,625	\$ 2,835,798	\$ 457,480	\$ 3,159,157	\$ 587,989	\$ 55,180	\$ 31,270,227
TOTAL RATE BASE	\$ 1,180,351,744	\$ 798,638,794	\$ 259,099,712	\$ 36,000,675	\$ 4,830,251	\$ 9,220,161	\$ 5,990,610	\$ 26,799,582	\$ 6,089,842	\$ 2,411,890	\$ 31,270,227

**Puget Sound Energy - Gas Cost of Service Study
Excluding Gas Costs and Revenues
Functional Revenue Requirement**

	System Total	Residential (23,16,53,94)	Comm. & Indus. (31,36,51,61,97)	Large Volume (41)	Interruptible (85)	Limited Interruptible (86)	Non-Exclusive Interruptible (87)	Transportation (57)	Transport Contracts (99,199,299)	CNG Service (50)	Rentals
Gas Supply											
Demand	\$ 1,008,798	\$ 694,561	\$ 263,008	\$ 44,586	\$ 2,626	\$ 3,797	\$ 200	\$ -	\$ -	\$ 19	\$ -
Commodity	\$ 943,815	\$ 547,113	\$ 220,096	\$ 55,174	\$ 16,605	\$ 19,812	\$ 40,887	\$ 36,057	\$ 8,038	\$ 34	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 1,952,614	\$ 1,241,675	\$ 483,104	\$ 99,760	\$ 19,231	\$ 23,608	\$ 41,087	\$ 36,057	\$ 8,038	\$ 53	\$ -
Storage											
Demand	\$ 5,630,293	\$ 3,901,096	\$ 1,335,254	\$ 104,158	\$ 54,162	\$ 112,041	\$ 123,582	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 696,958	\$ 342,314	\$ 137,708	\$ 34,521	\$ 10,389	\$ 12,396	\$ 25,582	\$ 109,596	\$ 24,431	\$ 21	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 6,327,251	\$ 4,243,410	\$ 1,472,962	\$ 138,679	\$ 64,552	\$ 124,436	\$ 149,164	\$ 109,596	\$ 24,431	\$ 21	\$ -
Transmission											
Demand	\$ 18,577,311	\$ 11,432,638	\$ 4,400,125	\$ 844,037	\$ 123,090	\$ 154,911	\$ 227,022	\$ 1,118,195	\$ 276,876	\$ 418	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 18,577,311	\$ 11,432,638	\$ 4,400,125	\$ 844,037	\$ 123,090	\$ 154,911	\$ 227,022	\$ 1,118,195	\$ 276,876	\$ 418	\$ -
Distribution											
Demand	\$ 128,396,108	\$ 81,609,053	\$ 31,924,495	\$ 6,152,816	\$ 685,923	\$ 1,222,929	\$ 889,760	\$ 4,247,610	\$ 971,635	\$ 669,241	\$ 22,646
Commodity	\$ 3,955,548	\$ 2,562,850	\$ 858,517	\$ 172,670	\$ 40,722	\$ 64,848	\$ 77,463	\$ 152,691	\$ 25,625	\$ 163	\$ -
Customer	\$ 182,035,420	\$ 131,204,626	\$ 31,860,382	\$ 1,512,190	\$ 452,000	\$ 833,938	\$ 241,034	\$ 1,512,750	\$ 356,167	\$ 45,446	\$ 14,016,886
Sub-total	\$ 314,387,075	\$ 215,376,529	\$ 64,643,394	\$ 7,837,676	\$ 1,178,645	\$ 2,121,715	\$ 1,208,257	\$ 5,913,051	\$ 1,353,427	\$ 714,850	\$ 14,039,532
Gas Costs											
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL											
Demand	\$ 153,612,510	\$ 97,637,348	\$ 37,922,881	\$ 7,145,597	\$ 865,802	\$ 1,493,677	\$ 1,240,564	\$ 5,365,806	\$ 1,248,511	\$ 669,678	\$ 22,646
Commodity	\$ 5,596,322	\$ 3,452,277	\$ 1,216,321	\$ 262,364	\$ 67,716	\$ 97,056	\$ 143,932	\$ 298,343	\$ 58,094	\$ 219	\$ -
Customer	\$ 182,035,420	\$ 131,204,626	\$ 31,860,382	\$ 1,512,190	\$ 452,000	\$ 833,938	\$ 241,034	\$ 1,512,750	\$ 356,167	\$ 45,446	\$ 14,016,886
TOTAL REVENUE REQUIREMENT	\$ 341,244,251	\$ 232,294,251	\$ 70,999,584	\$ 8,920,151	\$ 1,385,518	\$ 2,424,670	\$ 1,625,531	\$ 7,176,899	\$ 1,662,772	\$ 715,343	\$ 14,039,532
TOTAL FIXED COSTS	\$ 335,647,930	\$ 228,841,974	\$ 69,783,263	\$ 8,657,787	\$ 1,317,802	\$ 2,327,614	\$ 1,481,598	\$ 6,878,556	\$ 1,604,678	\$ 715,124	\$ 14,039,532

Puget Sound Energy - Gas Cost of Service Study
Excluding Gas Costs and Revenues
Unit Costs

	System Total	Residential (23,16,53,94)	Comm. & Indus. (31,36,51,61,97)	Large Volume (41)	Interruptible (85)	Limited Interruptible (86)	Non-Exclusive Interruptible (87)	Transportation (57)	Transport Contracts (99,199,299)	CNG Service (50)	Rentals
Gas Supply											
Demand (per Peak Day therm per month)	\$ 0.0097	\$ 0.0099	\$ 0.0099	\$ 0.0099	\$ 0.0099	\$ 0.0099	\$ 0.0099	\$ -	\$ -	\$ 0.0099	\$ -
Commodity (per therm)	\$ 0.0009	\$ 0.0011	\$ 0.0011	\$ 0.0011	\$ 0.0011	\$ 0.0011	\$ 0.0011	\$ 0.0002	\$ 0.0002	\$ 0.0011	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ 0.0019	\$ 0.0024	\$ 0.0024	\$ 0.0019	\$ 0.0012	\$ 0.0013	\$ 0.0011	\$ 0.0002	\$ 0.0002	\$ 0.0017	\$ -
Storage											
Demand (per Peak Day therm per month)	\$ 0.0543	\$ 0.0556	\$ 0.0503	\$ 0.0231	\$ 0.2043	\$ 0.2923	\$ 6.1218	\$ -	\$ -	\$ -	\$ -
Commodity (per therm)	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ 0.0061	\$ 0.0083	\$ 0.0072	\$ 0.0027	\$ 0.0042	\$ 0.0067	\$ 0.0039	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ -
Transmission											
Demand (per Peak Day therm per month)	\$ 0.1792	\$ 0.1630	\$ 0.1657	\$ 0.1875	\$ 0.4642	\$ 0.4041	\$ 11.2458	\$ 0.8608	\$ 0.5330	\$ 0.2143	\$ -
Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ 0.0179	\$ 0.0224	\$ 0.0214	\$ 0.0164	\$ 0.0080	\$ 0.0084	\$ 0.0060	\$ 0.0068	\$ 0.0076	\$ 0.0131	\$ -
Distribution											
Demand (per Peak Day therm per month)	\$ 1.2385	\$ 1.1638	\$ 1.2023	\$ 1.3668	\$ 2.5867	\$ 3.1903	\$ 44.0753	\$ 3.2698	\$ 1.8703	\$ 343.0855	\$ -
Commodity (per therm)	\$ 0.0038	\$ 0.0050	\$ 0.0042	\$ 0.0034	\$ 0.0026	\$ 0.0035	\$ 0.0020	\$ 0.0009	\$ 0.0007	\$ 0.0051	\$ -
Customer (per customer per month)	\$ 22.3779	\$ 17.5001	\$ 51.8487	\$ 103.1015	\$ 1,097.0878	\$ 141.8020	\$ 1,346.5588	\$ 1,111.4989	\$ 1,855.0363	\$ 797.2951	\$ -
Demand and Commodity (per therm)	\$ 0.1275	\$ 0.1650	\$ 0.1598	\$ 0.1230	\$ 0.0469	\$ 0.0697	\$ 0.0254	\$ 0.0269	\$ 0.0274	\$ 21.0299	\$ -
Gas Costs											
Demand (per Peak Day therm per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL											
Demand (per Peak Day therm per month)	\$ 1.4818	\$ 1.3924	\$ 1.4282	\$ 1.5874	\$ 3.2651	\$ 3.8967	\$ 61.4529	\$ 4.1306	\$ 2.4033	\$ 343.3097	\$ -
Commodity (per therm)	\$ 0.0054	\$ 0.0068	\$ 0.0059	\$ 0.0051	\$ 0.0044	\$ 0.0053	\$ 0.0038	\$ 0.0018	\$ 0.0016	\$ 0.0069	\$ -
Customer (per customer per month)	\$ 22.3779	\$ 17.5001	\$ 51.8487	\$ 103.1015	\$ 1,097.0878	\$ 141.8020	\$ 1,346.5588	\$ 1,111.4989	\$ 1,855.0363	\$ 797.2951	\$ -
Demand and Commodity (per therm)	\$ 0.1533	\$ 0.1982	\$ 0.1908	\$ 0.1440	\$ 0.0603	\$ 0.0861	\$ 0.0363	\$ 0.0347	\$ 0.0359	\$ 21.0454	\$ -
PDAY	103,666,998	70,123,044	26,553,332	4,501,458	265,170	383,323	20,187	1,299,028	519,504	1,951	0
COM1	1,038,450,901	510,039,280	205,181,707	51,434,876	15,479,708	18,469,221	38,116,540	163,295,477	36,402,261	31,831	0
CUST	8,134,612	7,497,375	614,488	14,667	412	5,881	179	1,361	192	57	0

**Puget Sound Energy - Gas Cost of Service Study
Including Gas Costs and Revenues
Summary**

Line No.	Description	Total Company	Residential (23,16,53,94)	Comm. & Indus. (31,36,51,61,97)	Large Volume (41)	Interruptible (85)	Limited Interruptible (86)	Non-Exclusive Interruptible (87)	Transportation (57)	Transport Contracts (99,199,299)	CNG Service (50)	Rentals
	(a)	(b)	(c)	(d)	(e)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Rate Base												
1	Plant in Service	2,007,824,275	1,357,141,285	454,485,530	58,545,683	7,807,965	14,997,337	9,486,857	43,103,278	9,707,489	3,814,334	48,734,517
2	Accumulated Reserve	(650,209,813)	(444,510,417)	(149,385,443)	(17,339,972)	(2,370,669)	(4,560,751)	(2,777,361)	(12,559,795)	(2,782,527)	(1,407,791)	(12,515,087)
3	Other Rate Base Items	(177,262,719)	(114,091,731)	(45,952,749)	(5,177,672)	(598,858)	(1,206,748)	(696,909)	(3,753,170)	(837,662)	5,073	(4,952,292)
4	TOTAL RATE BASE	\$ 1,180,351,744	\$ 798,539,137	\$ 259,147,337	\$ 36,028,038	\$ 4,838,439	\$ 9,229,837	\$ 6,012,587	\$ 26,790,313	\$ 6,087,300	\$ 2,411,616	\$ 31,267,139
Revenue at Existing Rates												
5	Gas Revenues	\$ 660,097,429	\$ 403,886,975	\$ 160,744,528	\$ 40,764,691	\$ 11,964,732	\$ 14,326,834	\$ 28,291,621	\$ 94,684	\$ -	\$ 23,364	\$ -
6	Base Rate Revenues	\$ 283,749,181	\$ 193,859,002	\$ 59,026,233	\$ 9,953,139	\$ 1,794,850	\$ 3,950,032	\$ 2,087,372	\$ 11,449,972	\$ 1,615,763	\$ 12,818	\$ -
7	Other Revenues	\$ 17,055,092	\$ 6,668,381	\$ 1,618,025	\$ 194,038	\$ 115,923	\$ 93,167	\$ 91,020	\$ 366,988	\$ 61,077	\$ 89	\$ 7,846,383
8	TOTAL REVENUE	\$ 960,901,702	\$ 604,414,357	\$ 221,388,787	\$ 50,911,868	\$ 13,875,505	\$ 18,370,033	\$ 30,470,013	\$ 11,911,645	\$ 1,676,839	\$ 36,271	\$ 7,846,383
Expenses												
9	Gas Expenses	\$ 631,255,371	\$ 389,436,682	\$ 154,502,367	\$ 36,464,517	\$ 10,860,696	\$ 13,326,734	\$ 26,506,792	\$ 111,377	\$ 24,828	\$ 21,377	\$ -
10	Other Operation and Maintenance	\$ 103,318,710	\$ 76,394,973	\$ 19,411,705	\$ 2,050,624	\$ 506,639	\$ 687,898	\$ 621,588	\$ 1,974,307	\$ 490,324	\$ 383,783	\$ 796,869
11	Depreciation Expense	\$ 77,130,217	\$ 47,092,380	\$ 16,022,252	\$ 2,119,325	\$ 283,987	\$ 545,778	\$ 363,295	\$ 1,460,856	\$ 323,088	\$ 66,116	\$ 8,853,141
12	Taxes Other Than Income	\$ 51,808,185	\$ 33,134,628	\$ 12,304,040	\$ 2,365,498	\$ 568,090	\$ 755,851	\$ 1,214,324	\$ 606,518	\$ 136,395	\$ 4,458	\$ 718,382
13	Deferred Income Taxes & ITC	\$ 8,180,050	\$ 5,461,755	\$ 1,863,492	\$ 256,339	\$ 32,406	\$ 63,863	\$ 40,007	\$ 184,598	\$ 41,456	\$ 122	\$ 236,010
14	Income Taxes	\$ 10,947,849	\$ 6,559,959	\$ 2,152,538	\$ 889,404	\$ 186,167	\$ 343,285	\$ 198,299	\$ 872,169	\$ 78,937	\$ (49,401)	\$ (283,508)
15	TOTAL EXPENSES	\$ 882,640,382	\$ 558,080,378	\$ 206,256,395	\$ 44,145,706	\$ 12,437,985	\$ 15,723,409	\$ 28,944,305	\$ 5,209,826	\$ 1,095,029	\$ 426,454	\$ 10,320,895
16	Operating Income	\$ 78,261,320	\$ 46,333,979	\$ 15,132,392	\$ 6,766,162	\$ 1,437,520	\$ 2,646,625	\$ 1,525,709	\$ 6,701,819	\$ 581,810	\$ (390,183)	\$ (2,474,512)
17	Present Rate of Return	6.6303%	5.8023%	5.8393%	18.7803%	29.7104%	28.6747%	25.3752%	25.0158%	9.5578%	-16.1793%	-7.9141%
18	Revenue/Cost Ratio	0.9596	0.9455	0.9518	1.0784	1.0855	1.1206	1.0362	1.6370	0.9961	0.0492	0.5591
Cost of Service Requirement Given Equal Rates of Return												
19	Required Return	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%	8.7600%
20	Required Operating Income	\$ 103,398,813	\$ 69,952,028	\$ 22,701,307	\$ 3,156,056	\$ 423,847	\$ 808,534	\$ 526,703	\$ 2,346,831	\$ 533,247	\$ 211,258	\$ 2,739,001
21	Operating Income (Deficiency)/Surplus	\$ (25,137,492)	\$ (23,618,049)	\$ (7,568,915)	\$ 3,610,106	\$ 1,013,673	\$ 1,838,091	\$ 999,006	\$ 4,354,988	\$ 48,563	\$ (601,441)	\$ (5,213,514)
Expenses												
22	Gas Expenses	\$ 631,255,371	\$ 389,436,682	\$ 154,502,367	\$ 36,464,517	\$ 10,860,696	\$ 13,326,734	\$ 26,506,792	\$ 111,377	\$ 24,828	\$ 21,377	\$ -
23	Other Operation and Maintenance	\$ 103,533,157	\$ 76,548,085	\$ 19,464,682	\$ 2,053,319	\$ 507,125	\$ 688,968	\$ 622,154	\$ 1,977,408	\$ 490,761	\$ 383,786	\$ 796,869
24	Depreciation Expense	\$ 77,130,217	\$ 47,092,380	\$ 16,022,252	\$ 2,119,325	\$ 283,987	\$ 545,778	\$ 363,295	\$ 1,460,856	\$ 323,088	\$ 66,116	\$ 8,853,141
25	Taxes Other Than Income	\$ 53,360,651	\$ 34,176,185	\$ 12,661,561	\$ 2,412,365	\$ 574,018	\$ 767,631	\$ 1,221,507	\$ 639,651	\$ 143,760	\$ 4,480	\$ 759,492
26	Deferred Income Taxes & ITC	\$ 8,180,050	\$ 5,461,755	\$ 1,863,492	\$ 256,339	\$ 32,406	\$ 63,863	\$ 40,007	\$ 184,598	\$ 41,456	\$ 122	\$ 236,010
26	Income Taxes	\$ 24,483,422	\$ 16,563,682	\$ 5,375,358	\$ 747,311	\$ 100,361	\$ 191,450	\$ 124,716	\$ 555,698	\$ 126,266	\$ 50,023	\$ 648,558
27	TOTAL EXPENSES	\$ 897,942,868	\$ 569,278,770	\$ 209,889,713	\$ 44,053,175	\$ 12,358,593	\$ 15,584,423	\$ 28,878,471	\$ 4,929,587	\$ 1,150,160	\$ 525,905	\$ 11,294,071
28	REVENUE REQUIREMENT	\$ 1,001,341,680	\$ 639,230,799	\$ 232,591,020	\$ 47,209,232	\$ 12,782,440	\$ 16,392,957	\$ 29,405,174	\$ 7,276,419	\$ 1,683,407	\$ 737,162	\$ 14,033,072
29	Other Revenues	\$ 9,240,338	\$ 6,668,381	\$ 1,618,025	\$ 194,038	\$ 115,923	\$ 93,167	\$ 91,020	\$ 366,988	\$ 61,077	\$ 89	\$ 31,629
30	RATE SCHEDULE REVENUE REQUIREMENT	\$ 992,101,342	\$ 632,562,418	\$ 230,972,994	\$ 47,015,193	\$ 12,666,517	\$ 16,299,790	\$ 29,314,153	\$ 6,909,430	\$ 1,622,331	\$ 737,073	\$ 14,001,443
31	Revenue (Deficiency)/Surplus	\$ (40,439,978)	\$ (34,816,441)	\$ (11,202,233)	\$ 3,702,637	\$ 1,093,065	\$ 1,977,076	\$ 1,064,840	\$ 4,635,226	\$ (6,568)	\$ (700,891)	\$ (6,186,689)
Proposed Revenue Requirement												
32	Proposed Return	8.7600%	8.2277%	8.0730%	17.9984%	27.8576%	26.5591%	23.8577%	23.2284%	8.6934%	-14.6495%	-4.2881%
33	Proposed Operating Income	\$ 103,398,796	\$ 65,701,586	\$ 20,920,940	\$ 6,484,473	\$ 1,347,875	\$ 2,451,364	\$ 1,434,466	\$ 6,222,961	\$ 529,195	\$ (353,291)	\$ (1,340,774)
34	Income Taxes	\$ 24,483,418	\$ 15,557,235	\$ 4,953,792	\$ 1,535,434	\$ 319,158	\$ 580,450	\$ 339,662	\$ 1,473,512	\$ 125,306	\$ (83,654)	\$ (317,477)
35	Expenses Other Than Income Taxes	\$ 873,459,446	\$ 552,715,088	\$ 204,514,354	\$ 43,305,865	\$ 12,258,232	\$ 15,392,973	\$ 28,753,755	\$ 4,373,890	\$ 1,023,894	\$ 475,882	\$ 10,645,513
36	RATE SCHEDULE REVENUE REQUIREMENT	\$ 992,101,322	\$ 627,305,529	\$ 228,771,061	\$ 51,131,734	\$ 13,809,342	\$ 18,331,620	\$ 30,436,862	\$ 11,703,374	\$ 1,617,319	\$ 38,848	\$ 8,955,633
37	Other Revenues	\$ 9,240,338	\$ 6,668,381	\$ 1,618,025	\$ 194,038	\$ 115,923	\$ 93,167	\$ 91,020	\$ 366,988	\$ 61,077	\$ 89	\$ 31,629
38	REVENUE REQUIREMENT	\$ 1,001,341,660	\$ 633,973,910	\$ 230,389,086	\$ 51,325,772	\$ 13,925,265	\$ 18,424,787	\$ 30,527,882	\$ 12,070,362	\$ 1,678,396	\$ 38,937	\$ 8,987,262
39	Revenue/Cost Ratio	1.0000	0.9918	0.9905	1.0872	1.0894	1.1239	1.0382	1.6588	0.9970	0.0528	0.6404

**Puget Sound Energy - Gas Cost of Service Study
Including Gas Costs and Revenues
Functional Rate Base**

	System Total	Residential (23,16,53,94)	Comm. & Indus. (31,36,51,61,97)	Large Volume (41)	Interruptible (85)	Limited Interruptible (86)	Non-Exclusive Interruptible (87)	Transportation (57)	Transport Contracts (99,199,299)	CNG Service (50)	Rentals
Gas Supply											
Demand	\$ 2,221,560	\$ 1,529,553	\$ 579,192	\$ 98,188	\$ 5,784	\$ 8,361	\$ 440	\$ -	\$ -	\$ 43	\$ -
Commodity	\$ 1,535,312	\$ 885,184	\$ 356,097	\$ 89,266	\$ 26,865	\$ 32,054	\$ 66,152	\$ 65,121	\$ 14,517	\$ 55	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 3,756,872	\$ 2,414,737	\$ 935,289	\$ 187,454	\$ 32,649	\$ 40,415	\$ 66,592	\$ 65,121	\$ 14,517	\$ 98	\$ -
Storage											
Demand	\$ 23,828,940	\$ 16,510,504	\$ 5,651,158	\$ 440,827	\$ 229,230	\$ 474,186	\$ 523,035	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 2,478,786	\$ 1,217,465	\$ 489,769	\$ 122,775	\$ 36,950	\$ 44,086	\$ 90,984	\$ 389,787	\$ 86,892	\$ 76	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 26,307,725	\$ 17,727,969	\$ 6,140,928	\$ 563,602	\$ 266,180	\$ 518,273	\$ 614,019	\$ 389,787	\$ 86,892	\$ 76	\$ -
Transmission											
Demand	\$ 100,424,358	\$ 61,802,018	\$ 23,785,987	\$ 4,562,655	\$ 665,396	\$ 837,409	\$ 1,227,223	\$ 6,044,687	\$ 1,496,723	\$ 2,260	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 100,424,358	\$ 61,802,018	\$ 23,785,987	\$ 4,562,655	\$ 665,396	\$ 837,409	\$ 1,227,223	\$ 6,044,687	\$ 1,496,723	\$ 2,260	\$ -
Distribution											
Demand	\$ 533,322,142	\$ 341,178,444	\$ 131,982,460	\$ 25,572,478	\$ 2,696,816	\$ 4,978,922	\$ 3,607,422	\$ 17,064,763	\$ 3,886,733	\$ 2,354,103	\$ -
Commodity	\$ 1,021,614	\$ 569,773	\$ 227,732	\$ 57,488	\$ 17,042	\$ 20,378	\$ 40,966	\$ 72,137	\$ 16,063	\$ 34	\$ -
Customer	\$ 515,519,033	\$ 374,846,196	\$ 96,074,940	\$ 5,084,360	\$ 1,160,354	\$ 2,834,441	\$ 456,365	\$ 3,153,819	\$ 586,371	\$ 55,046	\$ 31,267,139
Sub-total	\$ 1,049,862,788	\$ 716,594,413	\$ 228,285,133	\$ 30,714,327	\$ 3,874,213	\$ 7,833,741	\$ 4,104,753	\$ 20,290,719	\$ 4,489,167	\$ 2,409,183	\$ 31,267,139
Gas Costs											
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL											
Demand	\$ 659,797,000	\$ 421,020,518	\$ 161,998,798	\$ 30,674,148	\$ 3,597,226	\$ 6,298,879	\$ 5,358,120	\$ 23,109,450	\$ 5,383,457	\$ 2,356,405	\$ -
Commodity	\$ 5,035,711	\$ 2,672,423	\$ 1,073,599	\$ 269,530	\$ 80,858	\$ 96,517	\$ 198,102	\$ 527,044	\$ 117,472	\$ 165	\$ -
Customer	\$ 515,519,033	\$ 374,846,196	\$ 96,074,940	\$ 5,084,360	\$ 1,160,354	\$ 2,834,441	\$ 456,365	\$ 3,153,819	\$ 586,371	\$ 55,046	\$ 31,267,139
TOTAL RATE BASE	\$ 1,180,351,744	\$ 798,539,137	\$ 259,147,337	\$ 36,028,038	\$ 4,838,439	\$ 9,229,837	\$ 6,012,587	\$ 26,790,313	\$ 6,087,300	\$ 2,411,616	\$ 31,267,139

**Puget Sound Energy - Gas Cost of Service Study
Including Gas Costs and Revenues
Functional Revenue Requirement**

	System Total	Residential (23,16,53,94)	Comm. & Indus. (31,36,51,61,97)	Large Volume (41)	Interruptible (85)	Limited Interruptible (86)	Non-Exclusive Interruptible (87)	Transportation (57)	Transport Contracts (99,199,299)	CNG Service (50)	Rentals
Gas Supply											
Demand	\$ 1,006,684	\$ 693,106	\$ 262,457	\$ 44,493	\$ 2,621	\$ 3,789	\$ 200	\$ -	\$ -	\$ 19	\$ -
Commodity	\$ 938,486	\$ 544,009	\$ 218,847	\$ 54,861	\$ 16,511	\$ 19,699	\$ 40,655	\$ 35,873	\$ 7,997	\$ 34	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 1,945,170	\$ 1,237,115	\$ 481,304	\$ 99,354	\$ 19,132	\$ 23,488	\$ 40,855	\$ 35,873	\$ 7,997	\$ 53	\$ -
Storage											
Demand	\$ 5,617,790	\$ 3,892,433	\$ 1,332,288	\$ 103,927	\$ 54,042	\$ 111,792	\$ 123,308	\$ -	\$ -	\$ -	\$ -
Commodity	\$ 694,754	\$ 341,231	\$ 137,273	\$ 34,411	\$ 10,356	\$ 12,356	\$ 25,501	\$ 109,249	\$ 24,354	\$ 21	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 6,312,544	\$ 4,233,664	\$ 1,469,561	\$ 138,338	\$ 64,398	\$ 124,148	\$ 148,809	\$ 109,249	\$ 24,354	\$ 21	\$ -
Transmission											
Demand	\$ 18,570,785	\$ 11,428,621	\$ 4,398,579	\$ 843,740	\$ 123,047	\$ 154,856	\$ 226,942	\$ 1,117,802	\$ 276,779	\$ 418	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 18,570,785	\$ 11,428,621	\$ 4,398,579	\$ 843,740	\$ 123,047	\$ 154,856	\$ 226,942	\$ 1,117,802	\$ 276,779	\$ 418	\$ -
Distribution											
Demand	\$ 128,202,794	\$ 81,488,170	\$ 31,875,240	\$ 6,143,500	\$ 684,671	\$ 1,220,928	\$ 888,295	\$ 4,240,451	\$ 969,986	\$ 668,907	\$ 22,646
Commodity	\$ 33,739,476	\$ 20,786,673	\$ 8,111,482	\$ 2,012,018	\$ 580,583	\$ 711,290	\$ 1,354,007	\$ 156,651	\$ 25,555	\$ 1,218	\$ -
Customer	\$ 181,315,540	\$ 130,619,873	\$ 31,752,486	\$ 1,507,764	\$ 449,913	\$ 831,512	\$ 239,473	\$ 1,505,016	\$ 353,908	\$ 45,169	\$ 14,010,426
Sub-total	\$ 343,257,811	\$ 232,894,716	\$ 71,739,208	\$ 9,663,282	\$ 1,715,167	\$ 2,763,730	\$ 2,481,776	\$ 5,902,117	\$ 1,349,449	\$ 715,293	\$ 14,033,072
Gas Costs											
Demand	\$ 66,257,873	\$ 42,814,106	\$ 16,462,877	\$ 3,271,848	\$ 806,151	\$ 1,061,720	\$ 1,839,530	\$ -	\$ -	\$ 1,642	\$ -
Commodity	\$ 564,997,498	\$ 346,622,576	\$ 138,039,491	\$ 33,192,669	\$ 10,054,544	\$ 12,265,014	\$ 24,667,262	\$ 111,377	\$ 24,828	\$ 19,735	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 631,255,371	\$ 389,436,683	\$ 154,502,367	\$ 36,464,517	\$ 10,860,696	\$ 13,326,734	\$ 26,506,792	\$ 111,377	\$ 24,828	\$ 21,377	\$ -
TOTAL											
Demand	\$ 219,655,926	\$ 140,316,436	\$ 54,331,441	\$ 10,407,509	\$ 1,670,532	\$ 2,553,085	\$ 3,078,274	\$ 5,358,253	\$ 1,246,765	\$ 670,985	\$ 22,646
Commodity	\$ 600,370,214	\$ 368,294,490	\$ 146,507,093	\$ 35,293,958	\$ 10,661,994	\$ 13,008,360	\$ 26,087,426	\$ 413,150	\$ 82,735	\$ 21,008	\$ -
Customer	\$ 181,315,540	\$ 130,619,873	\$ 31,752,486	\$ 1,507,764	\$ 449,913	\$ 831,512	\$ 239,473	\$ 1,505,016	\$ 353,908	\$ 45,169	\$ 14,010,426
TOTAL REVENUE REQUIREMENT	\$ 1,001,341,680	\$ 639,230,799	\$ 232,591,020	\$ 47,209,232	\$ 12,782,440	\$ 16,392,957	\$ 29,405,174	\$ 7,276,419	\$ 1,683,407	\$ 737,162	\$ 14,033,072
TOTAL FIXED COSTS	\$ 400,971,467	\$ 270,936,309	\$ 86,083,927	\$ 11,915,273	\$ 2,120,446	\$ 3,384,597	\$ 3,317,748	\$ 6,863,268	\$ 1,600,672	\$ 716,154	\$ 14,033,072

**Puget Sound Energy - Gas Cost of Service Study
Including Gas Costs and Revenues
Unit Costs**

	System Total	Residential (23,16,53,94)	Comm. & Indus. (31,36,51,61,97)	Large Volume (41)	Interruptible (85)	Limited Interruptible (86)	Non-Exclusive Interruptible (87)	Transportation (57)	Transport Contracts (99,199,299)	CNG Service (50)	Rentals
Gas Supply											
Demand (per Peak Day therm per month)	\$ 0.0097	\$ 0.0099	\$ 0.0099	\$ 0.0099	\$ 0.0099	\$ 0.0099	\$ 0.0099	\$ -	\$ -	\$ 0.0099	\$ -
Commodity (per therm)	\$ 0.0009	\$ 0.0011	\$ 0.0011	\$ 0.0011	\$ 0.0011	\$ 0.0011	\$ 0.0011	\$ 0.0002	\$ 0.0002	\$ 0.0011	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ 0.0019	\$ 0.0024	\$ 0.0023	\$ 0.0019	\$ 0.0012	\$ 0.0013	\$ 0.0011	\$ 0.0002	\$ 0.0002	\$ 0.0017	\$ -
Storage											
Demand (per Peak Day therm per month)	\$ 0.0542	\$ 0.0555	\$ 0.0502	\$ 0.0231	\$ 0.2038	\$ 0.2916	\$ 6.1082	\$ -	\$ -	\$ -	\$ -
Commodity (per therm)	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ 0.0061	\$ 0.0083	\$ 0.0072	\$ 0.0027	\$ 0.0042	\$ 0.0067	\$ 0.0039	\$ 0.0007	\$ 0.0007	\$ 0.0007	\$ -
Transmission											
Demand (per Peak Day therm per month)	\$ 0.1791	\$ 0.1630	\$ 0.1657	\$ 0.1874	\$ 0.4640	\$ 0.4040	\$ 11.2418	\$ 0.8605	\$ 0.5328	\$ 0.2142	\$ -
Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ 0.0179	\$ 0.0224	\$ 0.0214	\$ 0.0164	\$ 0.0079	\$ 0.0084	\$ 0.0060	\$ 0.0068	\$ 0.0076	\$ 0.0131	\$ -
Distribution											
Demand (per Peak Day therm per month)	\$ 1.2367	\$ 1.1621	\$ 1.2004	\$ 1.3648	\$ 2.5820	\$ 3.1851	\$ 44.0028	\$ 3.2643	\$ 1.8671	\$ 342.9142	\$ -
Commodity (per therm)	\$ 0.0325	\$ 0.0408	\$ 0.0395	\$ 0.0391	\$ 0.0375	\$ 0.0385	\$ 0.0355	\$ 0.0010	\$ 0.0007	\$ 0.0382	\$ -
Customer (per customer per month)	\$ 22.2894	\$ 17.4221	\$ 51.6731	\$ 102.7998	\$ 1,092.0230	\$ 141.3895	\$ 1,337.8401	\$ 1,105.8160	\$ 1,843.2692	\$ 792.4339	\$ -
Demand and Commodity (per therm)	\$ 0.1559	\$ 0.2005	\$ 0.1949	\$ 0.1586	\$ 0.0817	\$ 0.1046	\$ 0.0588	\$ 0.0269	\$ 0.0273	\$ 21.0526	\$ -
Gas Costs											
Demand (per Peak Day therm per month)	\$ 0.6391	\$ 0.6106	\$ 0.6200	\$ 0.7268	\$ 3.0401	\$ 2.7698	\$ 91.1233	\$ -	\$ -	\$ 0.8416	\$ -
Commodity (per therm)	\$ 0.5441	\$ 0.6796	\$ 0.6728	\$ 0.6453	\$ 0.6495	\$ 0.6641	\$ 0.6472	\$ 0.0007	\$ 0.0007	\$ 0.6200	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ 0.6079	\$ 0.7635	\$ 0.7530	\$ 0.7089	\$ 0.7016	\$ 0.7216	\$ 0.6954	\$ 0.0007	\$ 0.0007	\$ 0.6716	\$ -
TOTAL											
Demand (per Peak Day therm per month)	\$ 2.1189	\$ 2.0010	\$ 2.0461	\$ 2.3120	\$ 6.2998	\$ 6.6604	\$ 152.4860	\$ 4.1248	\$ 2.3999	\$ 343.9798	\$ -
Commodity (per therm)	\$ 0.5781	\$ 0.7221	\$ 0.7140	\$ 0.6862	\$ 0.6888	\$ 0.7043	\$ 0.6844	\$ 0.0025	\$ 0.0023	\$ 0.6600	\$ -
Customer (per customer per month)	\$ 22.2894	\$ 17.4221	\$ 51.6731	\$ 102.7998	\$ 1,092.0230	\$ 141.3895	\$ 1,337.8401	\$ 1,105.8160	\$ 1,843.2692	\$ 792.4339	\$ -
Demand and Commodity (per therm)	\$ 0.7897	\$ 0.9972	\$ 0.9788	\$ 0.8885	\$ 0.7967	\$ 0.8426	\$ 0.7652	\$ 0.0353	\$ 0.0365	\$ 21.7396	\$ -
PDAY	103,666,998	70,123,044	26,553,332	4,501,458	265,170	383,323	20,187	1,299,028	519,504	1,951	0
COM1	1,038,450,901	510,039,280	205,181,707	51,434,876	15,479,708	18,469,221	38,116,540	163,295,477	36,402,261	31,831	0
CUST	8,134,612	7,497,375	614,488	14,667	412	5,881	179	1,361	192	57	0