

**EXHIBIT NO. \_\_\_(JKP-9)**  
**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 \_\_\_**

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

**FEBRUARY 15, 2006**

Puget Sound Energy  
2006 Gas General Rate Case  
Calculation of Proposed Schedule 101 Rates

Line	Description	Total	Residential		Commercial and Industrial			Interruptible		
			23	16	31, 36, 51	41	50	85	86	87
<b>Calculation of PGA Demand Rates</b>										
1	Sales volume - projected PGA period ended September 2006	859,255,982	531,444,937	19,608	206,347,499	52,083,362	49,560	15,676,576	21,512,066	32,122,374
2	Billed demand - projected PGA period ended September 2006	2,821,404				2,529,972		104,424	179,376	7,632
3	Current gas supply demand charge (Schedule 101)					\$ 1.00		\$ 1.00	\$ 1.00	\$ 1.00
4	Current volumetric demand charge (Schedule 101)		\$ 0.08184	\$ 0.05817	\$ 0.07376	\$ 0.04130	\$ 0.02650	\$ 0.05683	\$ 0.05683	\$ 0.03420
5	Unit demand costs from cost study	\$ 0.07976	\$ 0.08456	\$ 0.08456	\$ 0.08086	\$ 0.06423	\$ 0.05219	\$ 0.05270	\$ 0.05811	\$ 0.04888
6	Estimated PGA revenue under cost of service rates	\$68,620,514	\$44,940,336	\$ 1,658	\$16,684,305	\$ 3,345,380	\$ 2,587	\$ 826,120	\$ 1,249,973	\$ 1,570,156
7	PGA demand revenue requirement (1)	\$66,901,486	\$43,814,525	\$ 1,617	\$16,266,343	\$ 3,261,574	\$ 2,522	\$ 805,425	\$ 1,218,660	\$ 1,530,822
8	Percent of total demand cost	100.0%	65.5%	0.0%	24.3%	4.9%	0.0%	1.2%	1.8%	2.3%
9	Billed demand cost (\$/therm) (line 7 / line 2)					\$ 1.29		\$ 7.71	\$ 6.79	\$ 200.58
10	Proposed gas supply demand charge					\$ 1.25		\$ 1.25	\$ 1.25	\$ 1.25
11	Revenue from proposed gas supply demand charge (line 2 x line 10)	\$ 3,526,755				\$ 3,162,465		\$ 130,530	\$ 224,220	\$ 9,540
12	Revenue requirement for volumetric demand charge (line 7 - line 11)	\$63,374,731	\$43,814,525	\$ 1,617	\$16,266,343	\$ 99,109	\$ 2,522	\$ 674,895	\$ 994,440	\$ 1,521,282
13	Proposed volumetric demand charge (line 12 / line 1)		\$ 0.08244	\$ 0.08244	\$ 0.07883	\$ 0.00190	\$ 0.05088	\$ 0.04305	\$ 0.04623	\$ 0.04736
14	Proposed Schedule 16 rate per mantle (line 13 x 19)			\$ 1.57						
15	Proposed total demand revenue ((line 2 x line 15) + (line 5 x line 12))	\$66,901,486	\$43,814,525	\$ 1,617	\$16,266,343	\$ 3,261,574	\$ 2,522	\$ 805,425	\$ 1,218,660	\$ 1,530,822
<b>PGA Commodity Rate</b>										
16	Current commodity charge (Schedule 101)	\$ 0.67544	\$ 0.67544	\$ 0.67544	\$ 0.67544	\$ 0.67544	\$ 0.67544	\$ 0.67544	\$ 0.67544	\$ 0.67544
17	Schedule 16 rate per mantle			\$ 12.83						
<b>Total Proposed PGA Rates</b>										
18	Proposed revenue adjustment factor (RAF)	4.569%								
19	Proposed gas supply demand charge (line 10)					\$ 1.25		\$ 1.25	\$ 1.25	\$ 1.25
20	Proposed gas supply demand charge with RAF					\$ 1.31		\$ 1.31	\$ 1.31	\$ 1.31
21	Proposed volumetric demand charge (line 13)		\$ 0.08244	\$ 0.08244	\$ 0.07883	\$ 0.00190	\$ 0.05088	\$ 0.04305	\$ 0.04623	\$ 0.04736
22	Proposed volumetric demand charge with RAF		\$ 0.08621	\$ 0.08621	\$ 0.08243	\$ 0.00199	\$ 0.05320	\$ 0.04502	\$ 0.04834	\$ 0.04952
23	Proposed commodity charge (line 16)	\$ 0.67544	\$ 0.67544	\$ 0.67544	\$ 0.67544	\$ 0.67544	\$ 0.67544	\$ 0.67544	\$ 0.67544	\$ 0.67544
24	Proposed commodity charge with RAF	\$ 0.70630	\$ 0.70630	\$ 0.70630	\$ 0.70630	\$ 0.70630	\$ 0.70630	\$ 0.70630	\$ 0.70630	\$ 0.70630
25	Schedule 16 rate per mantle with RAF			\$ 13.42						
26	Total volumetric charge with RAF		\$ 0.79251	\$ 0.79251	\$ 0.78873	\$ 0.70829	\$ 0.75951	\$ 0.75132	\$ 0.75464	\$ 0.75582
27	Total Schedule 16 rate per mantle with RAF			\$ 15.06						

(1) Allocated based on line 6.

Sources: PSE Advice No. 2005-38 (2005 Purchased Gas Adjustment), Exhibit PGA-1, page 1; gas cost of service study.

Puget Sound Energy  
2006 Gas General Rate Case  
Calculation of Proposed Schedule 106 Rates

Line	Description	Total	Residential		Commercial and Industrial			Interruptible		
			23	16	31, 36, 51	41	50	85	86	87
<b>Calculation of Amortization Demand Rates</b>										
1	Sales volume - projected PGA period ended September 2006	859,255,982	531,444,937	19,608	206,347,499	52,083,362	49,560	15,676,576	21,512,066	32,122,374
2	Current demand charge (Schedule 106)	\$	0.01170	\$ 0.00832	\$ 0.01055	\$ 0.00591	\$ 0.00379	\$ 0.00813	\$ 0.00813	\$ 0.00489
3	Unit demand costs from cost study	\$ 0.07976	\$ 0.08456	\$ 0.08456	\$ 0.08086	\$ 0.06423	\$ 0.05219	\$ 0.05270	\$ 0.05811	\$ 0.04888
4	PGA revenue under cost of service rates	\$ 68,620,514	\$ 44,940,336	\$ 1,658	\$ 16,684,305	\$ 3,345,380	\$ 2,587	\$ 826,120	\$ 1,249,973	\$ 1,570,156
5	Allocated demand balance in PGA (1)	\$ 9,163,571	\$ 6,001,324	\$ 221	\$ 2,228,019	\$ 446,741	\$ 345	\$ 110,320	\$ 166,921	\$ 209,678
6	Proposed demand charge (line 5 / line 1)	\$	<b>0.01129</b>	<b>\$ 0.01129</b>	<b>\$ 0.01080</b>	<b>\$ 0.00858</b>	<b>\$ 0.00697</b>	<b>\$ 0.00704</b>	<b>\$ 0.00776</b>	<b>\$ 0.00653</b>
7	Proposed Schedule 16 rate per mantle (line 6 x 19)			\$ 0.21						
8	Proposed total demand revenue	\$ 9,163,571	\$ 6,001,324	\$ 221	\$ 2,228,019	\$ 446,741	\$ 345	\$ 110,320	\$ 166,921	\$ 209,678
<b>Amortization Commodity Rate</b>										
9	Current commodity charge (Schedule 106)	\$ 0.02731	\$ 0.02731	\$ 0.02731	\$ 0.02731	\$ 0.02731	\$ 0.02731	\$ 0.02731	\$ 0.02731	\$ 0.02731
10	Schedule 16 rate per mantle			\$ 0.52						
<b>Total Proposed PGA Rates</b>										
11	Proposed revenue adjustment factor (RAF)	4.569%								
12	Proposed demand charge (line 6)	\$	0.01129	\$ 0.01129	\$ 0.01080	\$ 0.00858	\$ 0.00697	\$ 0.00704	\$ 0.00776	\$ 0.00653
13	Proposed demand charge with RAF	\$	0.01181	\$ 0.01181	\$ 0.01129	\$ 0.00897	\$ 0.00729	\$ 0.00736	\$ 0.00811	\$ 0.00683
14	Schedule 16 rate per mantle with RAF			\$ 0.22						
15	Proposed commodity charge (line 9)	\$ 0.02731	\$ 0.02731	\$ 0.02731	\$ 0.02731	\$ 0.02731	\$ 0.02731	\$ 0.02731	\$ 0.02731	\$ 0.02731
16	Proposed commodity charge with RAF	\$ 0.02856	\$ 0.02856	\$ 0.02856	\$ 0.02856	\$ 0.02856	\$ 0.02856	\$ 0.02856	\$ 0.02856	\$ 0.02856
17	Schedule 16 rate per mantle with RAF			\$ 0.54						
18	Proposed total rate with RAF (line 13 + line 16)	\$	0.04036	\$ 0.04036	\$ 0.03985	\$ 0.03753	\$ 0.03585	\$ 0.03592	\$ 0.03667	\$ 0.03539
19	Schedule 16 rate per mantle with RAF (line 14 + line 17)			\$ 0.76						
20	Total current charge with RAF	\$	0.04080	\$ 0.03737	\$ 0.39600	\$ 0.03475	\$ 0.03253	\$ 0.03707	\$ 0.03707	\$ 0.03368
21	Schedule 16 rate per mantle			\$ 0.71						

(1) Allocated based on line 4.

Sources: PSE Advice No. 2005-39 (2005 Purchased Gas Adjustment - Tracker), Exhibit Tracker-3; gas cost of service study.