

EXHIBIT NO. ___(JKP-4)
DOCKET NO. UE-07___/UG-07___
2007 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-07___
Docket No. UG-07___

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

DECEMBER 3, 2007

Puget Sound Energy
2007 Gas General Rate Case
Adjustments to Volume (Therms) by Rate Schedule
Test Year Ended September 30, 2007

Line	Rate Class	Volume From Sales & Transportation	Remove Propane Volume	Restating Adjustments	Weather Normalization Adjustment	Schedule Migration Adjustment	Total Adjustments	Pro forma Volume
	A	B	C	D	E	F	G	H
1	Residential (16,23,53)	548,611,908	-399	-345,026	-15,500,668	0	-15,846,093	532,765,816
2	Commercial & industrial (31,36,51,61)	226,228,117	-96	-373,209	-5,468,635	-16,434,668	-22,276,608	203,951,509
3	Large volume (41)	51,758,489		-192,384	0	16,835,564	16,643,180	68,401,668
4	Compressed natural gas (50)	123,587		-2,723	0	0	-2,723	120,864
5	Interruptible (85)	16,002,118		-335,555	-156,006	47,444,489	46,952,928	62,955,045
6	Limited interruptible (86)	17,391,069		-114,312	-315,051	0	-429,363	16,961,705
7	Non exclusive interruptible (87)	38,226,672		-2,183,452	-352,720	100,406,491	97,870,319	136,096,989
8	Transportation (57)	175,662,067		32,648	-526,128	-147,201,881	-147,695,360	27,966,706
9	Contracts	36,568,492		-84,102	-446,525	-1,049,996	-1,580,623	34,987,866
10	Total sales and transport volume	1,110,572,519	-495	-3,598,115	-22,765,733	0	-26,364,343	1,084,208,169

Puget Sound Energy
2007 Gas General Rate Case
Adjustments to Revenue by Rate Schedule
Test Year Ended September 30, 2007

Adjustments to Test Year Revenue

Line	Rate Class	Income Statement Revenue	Remove Propane Revenue (1)	Remove Municipal Taxes	Transfer Penalties & New Customer Revenue (2)	Remove Trackers	Other Restating Adjustments	January 2007 GRC (3) Adjustment	October 2007 PGA (4) Adjustment	Weather Normalization Adjustment	Schedule Migration Adjustment	RAF (5) Adjustment	Everett Delta Adjustment	Total Adjustments	Pro forma Revenue
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	Residential (16,23,53)	\$ 772,073,197	\$ (451)	\$ (28,190,171)	\$ (792,276)	\$ (29,938,459)	\$ (136,946)	\$ 8,713,728	\$ (28,887,346)	\$ (17,702,846)	\$ -	\$ (255,727)	\$ -	\$ (97,190,495)	\$ 674,882,702
2	Commercial & industrial (31,36,51,61)	295,295,379	(145)	(14,144,981)	(67,915)	(12,061,109)	(183,709)	3,593,146	(11,929,651)	(6,002,463)	(18,465,541)	(99,936)	-	(59,362,304)	235,933,075
3	Large volume (41)	61,062,442	-	(3,125,429)	-	(2,627,965)	(317,885)	(56,266)	(2,829,948)	(1)	16,924,610	(29,920)	-	7,937,196	68,999,638
4	Compressed natural gas (50)	136,748	-	(291)	-	(6,143)	(2,499)	4,095	(6,516)	(0)	-	(56)	-	(11,410)	125,338
5	Interruptible (85)	16,948,774	-	(604,885)	(6,057)	(779,812)	(399,666)	3,035	(847,561)	(135,932)	4,798,515	(7,135)	-	2,020,502	18,969,276
6	Limited interruptible (86)	20,466,456	-	(917,043)	(771)	(870,828)	(229,686)	(31,568)	(932,772)	(304,427)	-	(7,972)	-	(3,295,068)	17,171,388
7	Non exclusive interruptible (87)	38,026,326	-	(1,449,267)	(1,002)	(1,799,896)	(2,426,996)	169,263	(1,951,380)	(296,094)	3,849,913	(16,418)	-	(3,921,876)	34,104,450
8	Transportation (57)	12,593,656	-	(606,694)	(35,717)	(297,026)	(240,270)	221,847	-	(31,415)	(9,265,248)	-	-	(10,254,524)	2,339,132
9	Contracts	1,774,305	-	(82,651)	-	-	(34,165)	4,247	-	(11,711)	(60,659)	-	-	(184,939)	1,589,366
10	Total revenue from sales/transport	\$ 1,218,377,283	\$ (596)	\$ (49,121,411)	\$ (903,739)	\$ (48,381,239)	\$ (3,971,822)	\$ 12,621,527	\$ (47,385,174)	\$ (24,484,890)	\$ (2,218,411)	\$ (417,163)	\$ -	\$ (164,262,919)	\$ 1,054,114,365
11	Rentals	\$ 7,852,291	\$ -	\$ (358,182)	\$ -	\$ -	\$ 74,269	\$ 220,411	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (63,502)	\$ 7,788,789
12	Lease Everett Delta	\$ 4,150,352	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,150,352)	\$ (4,150,352)	\$ -
13	Other operating revenue	\$ 5,387,905	\$ -	\$ -	\$ 903,739	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 903,739	\$ 6,291,644
14	Total other operating revenue	\$ 17,390,549	\$ -	\$ (358,182)	\$ 903,739	\$ -	\$ 74,269	\$ 220,411	\$ -	\$ -	\$ -	\$ -	\$ (4,150,352)	\$ (3,310,116)	\$ 14,080,433
15	Total operating revenue	\$ 1,235,767,832	\$ (596)	\$ (49,479,594)	\$ -	\$ (48,381,239)	\$ (3,897,553)	\$ 12,841,937	\$ (47,385,174)	\$ (24,484,890)	\$ (2,218,411)	\$ (417,163)	\$ (4,150,352)	\$ (167,573,034)	\$ 1,068,194,798
16	Gas cost (Schedule 101)	\$ 762,399,420													\$ 697,020,806
17	Gas revenue (Schedule 101)														\$ 728,442,504

Pro forma Gas Costs and Revenue (Schedule 101) and Margin

	Pro forma Sch. 101 Gas Revenue	Pro forma Sch. 101 Gas Cost	Pro forma Margin
	P	Q	R
18 Residential (16,23,53)	448,168,679	428,836,720	226,714,023
19 Commercial & industrial (31,36,51,61)	170,546,291	163,189,700	65,386,783
20 Large volume (41)	55,270,173	52,886,069	13,729,465
21 Compressed natural gas (50)	96,406	92,247	28,932
22 Interruptible (85)	12,412,192	11,876,786	6,557,084
23 Limited interruptible (86)	13,628,513	13,040,641	3,542,875
24 Non exclusive interruptible (87)	28,300,674	27,079,911	5,803,776
25 Transportation (57)	19,577	18,732	2,319,556
26 Contracts	-	-	1,589,366
27 Total revenue from sales/transport	\$ 728,442,504	\$ 697,020,806	\$ 325,671,860

- (1) Revenue from discontinued propane schedules 94 and 97.
- (2) Penalty revenue and new customer revenue (Rule 7) is transferred from revenue from sales to other operating revenue.
- (3) General Rate Case UG-060267.
- (4) October 2007 Purchased Gas Adjustment, Docket UG-071775.
- (5) Adjustment from actual to proposed revenue adjustment factor (RAF).

Puget Sound Energy
2007 Gas General Rate Case
Summary of Migration Adjustment to Volume (Therms) and Revenue
Test Year Ended September 30, 2007

Description	Schedule 51		Schedule 36		Schedule 57		Total Migration	
	Volume	Revenue (1)	Volume	Revenue (1)	Volume	Revenue (1)	Volume	Revenue (1)
Migration from Original Schedules								
Migration adjustments	-197,189	\$ (243,532)	-43,158,623	\$ (48,895,090)	-148,251,877	\$ (9,325,907)	-191,607,689	\$ (58,464,529)
Migration to Destination Schedules								
Migration to Schedule 31	197,189	\$ 218,426	26,723,955	\$ 30,454,654			26,921,144	\$ 30,673,080
Migration to Schedule 41			16,434,668	\$ 16,821,242			16,434,668	\$ 16,821,242
Migration to Schedule 41T					400,896	\$ 103,368	400,896	\$ 103,368
Migration to Schedule 85T					47,444,489	\$ 4,798,515	47,444,489	\$ 4,798,515
Migration to Schedule 87T					100,406,491	\$ 3,849,913	100,406,491	\$ 3,849,913
Total migration adjustments	197,189	\$ 218,426	43,158,623	\$ 47,275,896	148,251,877	\$ 8,751,795	191,607,689	\$ 56,246,118
Net migration adjustment	0	\$ (25,105)	0	\$ (1,619,194)	0	\$ (574,112)	0	\$ (2,218,411)

(1) Revenue from base rates and Schedule 101 gas if applicable. Excludes municipal taxes and other trackers.