EXHIBIT NO. ___(KRK-6)
DOCKET NO. UE-07___/UG-07___
2007 PSE GENERAL RATE CASE
WITNESS: KARL R. KARZMAR

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,	
Complainant,	
v.	Docket No. UE-07 Docket No. UG-07
PUGET SOUND ENERGY, INC.,	
Respondent.	

FIFTH EXHIBIT (NONCONFIDENTIAL) TO THE PREFILED DIRECT TESTIMONY OF KARL R. KARZMAR ON BEHALF OF PUGET SOUND ENERGY, INC.

PUGET SOUND ENERGY GAS RESULTS OF OPERATIONS TWELVE MONTHS ENDED SEPTEMBER 30, 2007 VS 2006 GENERAL RATE CASE UNIT COST

			9/30/2007			9/30/2005					
	INE		RESTATED RESULTS OF		UNIT COST Dollars/Therm		RESTATED RESULTS OF		UNIT COST Dollars/Therm		
LINE											
NO.		(PERATIONS	1,0	082,092,730	O	PERATIONS	1,	038,450,901	,	VARIANCE
1	OPERATING REVENUES:										
2	SALES TO CUSTOMERS	\$	1,054,114,367	\$	0.974144	\$	972,211,141	\$	0.936213	\$	(41,045,182)
3	MUNICIPAL ADDITIONS		-		-				-		-
4	OTHER OPERATING REVENUES		14,080,433		0.013012		18,127,188		0.017456		4,808,566
5	TOTAL OPERATING REVENUES	\$	1,068,194,800	\$	0.987156	\$	990,338,329	\$	0.953669	\$	(36,236,616)
6											
7	OPERATING REVENUE DEDUCTIONS:										
8											
9	FUEL COSTS										
10	FUEL	\$	-	\$	-	\$	-	\$	-	\$	-
11	PURCHASED AND INTERCHANGED		697,020,807		0.644141		631,255,371		0.607882		39,236,363
12	WHEELING		-		-		-		-		-
13			_		_		_		-		-
14	TOTAL PRODUCTION EXPENSES	\$	697,020,807	\$	0.644141	\$	631,255,371	\$	0.607882	\$	39,236,363
15											
16	OTHER POWER SUPPLY EXPENSES	\$	1,765,497	\$	0.001632	\$	1,555,800	\$	0.001498		144,313
17	TRANSMISSION EXPENSE		593,625		0.000549		454,148		0.000437		120,391
18	DISTRIBUTION EXPENSE		42,519,741		0.039294		34,078,338		0.032817		7,009,230
19	CUSTOMER ACCOUNT EXPENSES		25,954,267		0.023985		23,454,341		0.022586		1,514,237
20	CUSTOMER SERVICE EXPENSES		1,380,898		0.001276		1,583,937		0.001525		(269,605)
21	CONSERVATION AMORTIZATION		(0)		(0.000000)		-		-		(0)
22	ADMIN & GENERAL EXPENSE		40,154,583		0.037108		41,714,840		0.040170		(3,313,361)
23	AMORTIZATION OF PROPERTY LOSS		-		-		3,287		0.000003		(3,425)
24	OTHER OPERATING EXPENSES		(1,208,348)		(0.001117)		868,224		0.000836		(2,113,060)
25	FAS 133		-		-						
26	Subtotal		111,160,262		0.102727		103,712,915		0.099873		3,088,719
27	DEPRECIATION		86,550,570		0.079984		64,955,994		0.062551		18,864,743
27	AMORTIZATION		14,087,627		0.013019		11,302,712		0.010884		2,309,909
28	TAXES OTHER INCOME TAXES		56,139,257		0.051880		52,227,429		0.050294		1,716,924
29	INCOME TAXES		18,389,214		0.016994		19,554,310		0.018830		(1,986,884)
30	DEFERRED INCOME TAXES		4,108,331		0.003797		8,180,050		0.007877		(4,415,493)
31	TOTAL OPERATING REV. DEDUCT.	\$	290,435,262	\$	0.268401	\$	891,188,781	\$	0.858191	\$	58,814,282
32											
33	NET OPERATING INCOME	\$	80,738,731	\$	0.074614	\$	99,149,548	\$	0.095478	\$	22,577,666
34											
35	RATE BASE	\$	1,349,395,044	\$	1.247023	\$	1,180,351,743	\$	1.136647		
36	RATE OF RETURN		8.60%				8.40%				
37	Return on Rate Base	\$	116,047,976	\$	0.107244	\$	99,149,548	\$	0.095478		12,731,579
38	Revenue Deficiency - Net of Tax	\$	35,309,245			\$	(0)			\$	35,309,244