

**EXHIBIT NO. ___(JHS-6)
DOCKET NO. UE-07___/UG-07___
2007 PSE GENERAL RATE CASE
WITNESS: JOHN H. STORY**

**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___**

**FIFTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF
JOHN H. STORY
ON BEHALF OF PUGET SOUND ENERGY, INC.**

DECEMBER 3, 2007

PUGET SOUND ENERGY
ELECTRIC RESULTS OF OPERATIONS

LINE NO.	TOTAL 2007 GRC		2006 GRC NON PCA + 2007 PCORC	Unit Cost Variance	Dollar Variance TOTAL
	UNIT COST		UNIT COST		
	Dollars/Kwh		Dollars/Kwh		
	21,283,164,838				
1	<u>OPERATING REVENUES:</u>				
2a	\$	0.086306	\$ 0.086136	\$ (0.000170)	\$ (3,618,138)
3		0.000017	0.000024	0.000007	148,982
4		0.000286	0.000305	0.000019	404,380
5		0.001794	0.001783	(0.000011)	-234,115
6	\$	0.088403	\$ 0.088248	\$ (0.000155)	\$ (3,298,891)
7					
8	OPERATING REVENUE DEDUCTIONS:				
9					
10	<u>POWER COSTS:</u>				
11	\$	0.008795	\$ 0.008845	\$ (0.000050)	\$ (1,064,158)
12		0.034994	0.032489	0.002505	53,314,328
13		0.003278	0.003146	0.000132	2,809,378
14			0.000000	0.000000	0
15	\$	0.047067	\$ 0.044480	\$ 0.002587	\$ 55,059,547
16					
17	\$	0.004577	\$ 0.004074	\$ 0.000503	\$ 10,705,432
18		0.000486	0.000224	0.000262	5,576,189
19		0.003177	0.003038	0.000139	2,958,360
20		0.001848	0.001787	0.000061	1,298,273
21		0.000098	0.000076	0.000022	468,230
22		0.000000	-	0.000000	0
23		0.001171	0.000234	0.000937	19,942,325
24		0.000172	(0.000011)	0.000183	3,894,819
25		0.000000	-	0.000000	0
26		0.003846	0.003667	0.000179	3,809,687
27	\$	0.015375	\$ 0.013089	\$ 0.002286	\$ 48,653,315
28		0.008246	0.007644	0.000602	12,812,465
28		0.001554	0.001233	0.000321	6,831,896
29		0.005447	0.005409	0.000038	808,760
30		(0.001746)	0.004159	(0.005905)	-125,604,528
31		0.004210	(0.000008)	0.004218	89,772,389
32	\$	0.080153	\$ 0.076006	\$ 0.004147	\$ 88,333,845
33					
34	\$	0.008250	\$ 0.012246	0.003992	\$ 85,034,954
35					
36	\$	0.155292	\$ 0.145785	\$ 0.009507	\$ 202,339,048
37		8.60%	8.40%		
38	\$	0.013355	\$ 0.012246	\$ 0.001109	\$ 23,603,030
39	\$	0.005104			\$ 108,637,984

**PUGET SOUND ENERGY
ELECTRIC RESULTS OF OPERATIONS**

LINE NO.	2007 GRC						2006 GRC		2007 PCORC		2006 GRC NON PCA + 2007 PCORC Dollars/Kwh	
	NON-PCA RELATED AMOUNTS		PCA RELATED AMOUNTS		TOTAL 2007 GRC		NON PCA Related		PCA Related			
	UNIT COST	UNIT COST	UNIT COST	UNIT COST	UNIT COST	UNIT COST	AFTER RATE	UNIT COST	AFTER RATE	UNIT COST		
	Dollars/Kwh	Dollars/Kwh	Dollars/Kwh	Dollars/Kwh	Dollars/Kwh	Dollars/Kwh	DECREASE	Dollars/Kwh	INCREASE	Dollars/Kwh		
	Dollars	21,283,164,838		21,283,164,838	Dollars	21,283,164,838		20,339,226,968		21,157,569,000		
1	OPERATING REVENUES:											
2a	SALES TO CUSTOMERS	\$ 503,689,480	\$ 0.023666	\$ 1,333,177,445	\$ 0.06264	\$ 1,836,866,925	\$ 0.086306	477,896,748	\$ 0.023496	\$ 1,325,304,742	\$ 0.062640	\$ 0.086136
3	SALES FROM RESALE-FIRM	355,704	0.000017	-	-	355,704	0.000017	478,623	\$ 0.000024	\$ -	\$ -	\$ 0.000024
4	SALES TO OTHER UTILITIES	0	0.000000	6,086,573	0.000286	6,086,573	\$ 0.000286	0	\$ -	6,462,987	\$ 0.000305	\$ 0.000305
5	OTHER OPERATING REVENUES	33,539,753	0.001576	4,639,851	0.000218	38,179,604	\$ 0.001794	31,816,928	\$ 0.001564	4,641,812	\$ 0.000219	\$ 0.001783
6	TOTAL OPERATING REVENUES	\$ 537,584,937	\$ 0.025259	\$ 1,343,903,869	\$ 0.063144	\$ 1,881,488,806	\$ 0.088403	510,192,300	\$ 0.025084	\$ 1,336,409,540	\$ 0.063165	\$ 0.088248
7												
8	OPERATING REVENUE DEDUCTIONS:											
9												
10	POWER COSTS:											
11	FUEL	\$ -	\$0.0000	\$ 187,182,664	\$ 0.008795	\$ 187,182,664	\$ 0.008795	0	\$ -	\$ 187,129,538	\$ 0.008845	\$ 0.008845
12	PURCHASED AND INTERCHANGED	\$ -	0.000000	\$ 744,777,859	0.0349940	744,777,859	\$ 0.034994	0	\$ -	687,381,109	\$ 0.032489	\$ 0.032489
13	WHEELING	\$ -	0.000000	\$ 69,765,609	0.0032780	69,765,609	\$ 0.003278	0	\$ -	66,562,495	\$ 0.003146	\$ 0.003146
14	RESIDENTIAL EXCHANGE		0.000000		0.0000000							\$ -
15	TOTAL PRODUCTION EXPENSES	\$ -	\$0.0000	\$ 1,001,726,133	\$ 0.04707	\$ 1,001,726,133	\$ 0.047067	0	\$ -	\$ 941,073,142	\$ 0.044479	\$ 0.044480
16												
17	OTHER POWER SUPPLY EXPENSES	\$ -	\$ -	97,413,175	\$ 0.004577	97,413,175	\$ 0.004577	0	\$ -	86,202,400	\$ 0.004074	\$ 0.004074
18	TRANSMISSION EXPENSE	9,211,298.91	0.000433	1,136,432	0.000053	10,347,731	0.000486	3,293,864	0.000162	1,315,467	0.000062	\$ 0.000224
19	DISTRIBUTION EXPENSE	67,610,740.93	0.003177	0.000000	0.000000	67,610,741	0.003177	61,793,136	0.003038	0.000000	\$	\$ 0.003038
20	CUSTOMER ACCOUNT EXPENSES	33,239,334.59	0.001562	6,096.196	0.000286	39,335,530	0.001848	30,521,771	0.001501	6,060,221	0.000286	\$ 0.001787
21	CUSTOMER SERVICE EXPENSES	2,080,144.57	0.000098	0.000000	0.000000	2,080,145	0.000098	1,538,632	0.000076	0.000000	\$	\$ 0.000076
22	CONSERVATION AMORTIZATION	5,110.88	0.000000	0.000000	0.000000	5,111	0.000000	0	0.000000	0.000000	\$	\$ -
23	AMORTIZATION OF PROPERTY LOSS	24,926,871.04	0.001171	0.000000	0.000000	24,926,871	0.001171	4,757,062	0.000234	0.000000	\$	\$ 0.000234
24	OTHER OPERATING EXPENSES	3,663,517.19	0.000172	0.000000	0.000000	3,663,517	0.000172	-232,518	-0.000011	0.000000	\$	\$ (0.000011)
25	FAS 133	0.00	0.000000	0.000000	0.000000	-	0.000000	0	0.000000	0.000000	\$	\$ -
26	ADMIN & GENERAL EXPENSE	74,443,183.39	0.003498	7,401,623	0.000348	81,844,807	0.003846	68,688,295	0.003377	6,131,229	0.000290	\$ 0.003667
27	Subtotal	215,180,202	\$ 0.010111	112,047,426	\$ 0.005264	327,227,627	\$ 0.015375	170,360,241	\$ 0.008376	99,709,317	\$ 0.004713	\$ 0.013089
28	DEPRECIATION	\$ 101,732,925	0.004780	73,775,985	0.003466	175,508,910	\$ 0.008246	83,653,674	\$ 0.004113	74,701,747	\$ 0.003531	\$ 0.007644
28	AMORTIZATION	\$ 31,626,437	0.001486	1,444,794	0.000068	33,071,230	\$ 0.001554	23,666,970	\$ 0.001164	1,454,629	\$ 0.000069	\$ 0.001233
29	TAXES OTHER INCOME TAXES	\$ 44,084,968	0.002071	71,844,169	0.003376	115,929,136	\$ 0.005447	44,132,764	\$ 0.002170	68,523,399	\$ 0.003239	\$ 0.005409
30	INCOME TAXES	\$ (48,583,077)	-0.002283	11,414,993	0.000536	(37,168,083)	\$ (0.001746)	51,692,475	\$ 0.002542	34,209,021	\$ 0.001617	\$ 0.004159
31	DEFERRED INCOME TAXES	\$ 89,593,353	0.004210	0.000000	0.000000	89,593,353	\$ 0.004210	-163,593	\$ (0.000008)	\$ -	\$	\$ (0.000008)
32	TOTAL OPERATING REV. DEDUCT.	\$ 433,634,807	\$ 0.020375	\$ 1,272,253,500	\$ 0.059777	\$ 1,705,888,307	\$ 0.080153	373,342,531	\$ 0.018357	\$ 1,219,671,255	\$ 0.057648	\$ 0.076006
33												
34	NET OPERATING INCOME	\$ 103,950,130	\$ 0.004884	\$ 71,650,370	\$ 0.072835	\$ 175,600,500	\$ 0.008250	136,849,768	\$ 0.006728	\$ 116,738,286	\$ 0.005518	\$ 0.012246
35												
36	RATE BASE	\$ 1,957,168,591	0.091959	\$ 1,347,930,056	\$ 0.063333	\$ 3,305,098,647	\$ 0.155292	1,629,163,910	\$ 0.080100	\$ 1,389,741,490	\$ 0.065685	\$ 0.145785
37	RATE OF RETURN	8.60%	8.60%	8.60%	8.60%	8.60%	8.60%	\$ -	\$ -	8.40%	8.40%	8.40%
38	RETURN ON RATE BASE	\$ 168,316,499	\$ 0.007908	\$ 115,921,985	\$ 0.005447	\$ 284,238,484	\$ 0.013355	136,849,768	\$ 0.006728	\$ 116,738,285	\$ 0.005518	\$ 0.012246
39	REVENUE DEFICIENCY - NET OF TAX	\$ 64,366,369	\$ 0.003024	\$ 44,271,615	\$ 0.002080	\$ 108,637,984	\$ 0.005104	0	\$ -	\$ (0)	\$	\$