

**Puget Sound Energy
2005 Power Cost Only Rate Case
EXAMPLE BASELINE RATE FOR PROPOSED INTERIM POWER COST UPDATE FILING**

Docket UE-050870
Attachment A
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(REVISED 8/31/2005)

Row	AS FILED Adjusted 12 months ended March 31, 2005	Fixed or Variable	Basis (a)	Proposed Apportionment (b)	Amounts reflected below are based on 2005 PCORC As Filed (See Note 2)												Total
					Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	
					2,073,046,316	1,766,659,781	1,873,392,903	1,589,540,880	1,527,874,848	1,427,749,186	1,483,943,531	1,449,255,028	1,645,208,205	1,808,015,533	2,050,825,902	20,112,948,706	
					10.31%	8.78%	9.12%	7.90%	7.60%	7.10%	7.24%	7.38%	7.11%	8.18%	8.99%	10.20%	
3	Regulatory Assets (Variable)	V	122005 AMA	50/50	2,404,178	2,404,178	2,404,178	2,404,178	2,404,178	2,404,178	2,404,178	2,404,178	2,404,178	2,404,178	2,404,178	2,404,178	
4	Transmission Rate Base (Fixed)	F	122005 AMA	50/50	1,040,094	1,040,094	1,040,094	1,040,094	1,040,094	1,040,094	1,040,094	1,040,094	1,040,094	1,040,094	1,040,094		
5	Production Rate Base (Fixed) (Note 3)**	F	122005 AMA	50/50	5,637,191	5,637,191	5,637,191	5,637,191	5,637,191	5,637,191	5,637,191	5,637,191	5,637,191	5,637,191	5,637,191		
6	Net of tax rate of return			7.01%	75,858,292	67,239,913	61,791,155	46,336,396	35,547,713	36,699,768	34,745,538	40,916,253	50,138,091	62,357,161	75,306,014		
7					(1,054,657)	(1,019,053)	(1,045,840)	(995,284)	(816,181)	(955,339)	(988,391)	(1,020,649)	(1,028,583)	(1,043,639)	(1,202,639)		
8					577,911	577,911	577,911	577,911	577,911	577,911	577,911	577,911	577,911	577,911	577,911		
9					445,880	445,880	445,880	445,880	445,880	445,880	445,880	445,880	445,880	445,880	445,880		
10	Regulatory Asset Recovery	V	122005 AMA	50/50	4,083,670	4,257,085	4,437,977	3,727,002	2,248,516	1,717,287	4,104,578	6,614,766	7,793,093	6,100,959	7,333,704		
11	Fixed Asset Recovery/Other	F	122005 AMA	50/50	1,150,983	1,124,396	1,068,155	1,170,246	1,103,957	1,216,848	1,285,877	1,285,877	1,285,877	1,285,877	1,285,877		
12	Fixed Asset Recovery-Prod Fuelcost**	F	Updated (Note 1)	Per Model	(283,877)	(283,877)	(283,877)	(283,877)	(283,877)	(283,877)	(283,877)	(283,877)	(283,877)	(283,877)	(283,877)		
13	501-Stream Fuel	V	Updated (Note 1)	Per Model	5,137,280	5,137,280	5,137,280	5,137,280	5,137,280	5,137,280	5,137,280	5,137,280	5,137,280	5,137,280	5,137,280		
14	555-Dispatch power	V	Updated (Note 1)	Per Model	(141,356)	(141,356)	(141,356)	(141,356)	(141,356)	(141,356)	(141,356)	(141,356)	(141,356)	(141,356)	(141,356)		
15	557-Other Power Exp	V	2005 PCORC	50/50	(49,165)	(49,165)	(46,678)	(297,206)	(68,663)	(85,213)	(1,871,460)	(2,768,438)	(844,334)	(266,126)	(814,294)		
16	547-Fuel (Note 4)	F	2005 PCORC	50/50	(112,896)	(91)	28,956	(20,383)	0	(1,608)	(21,412)	(54,288)	(67,200)	(63,959)	(46,800)		
17	565-Wheeling (Note 4)	V	Updated (Note 1)	Per Model	50,989	50,989	50,989	50,989	50,989	50,989	50,989	50,989	50,989	50,989	50,989		
18	Variable Transmission Income (Note 5)	V	2005 PCORC	50/50	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021		
19	Hydro and Other Pwr. Adjustment	F	2005 PCORC	50/50	425,773	425,773	425,773	425,773	425,773	425,773	425,773	425,773	425,773	425,773	425,773		
20	447-Sales to Others	F	2005 PCORC	50/50	2,173,561	2,173,561	2,173,561	2,173,561	2,173,561	2,173,561	2,173,561	2,173,561	2,173,561	2,173,561	2,173,561		
21	456-Subaccounts 0001.6 & 0001.8	V	Updated (Note 1)	Per Model	(41,707)	(41,707)	(46,678)	(297,206)	(68,663)	(85,213)	(1,871,460)	(2,768,438)	(844,334)	(266,126)	(814,294)		
22	Transmission Exp - 508KV	V	2005 PCORC	50/50	50,989	50,989	50,989	50,989	50,989	50,989	50,989	50,989	50,989	50,989	50,989		
23	Depreciation/Amortization - Production**	F	122005 AMA	50/50	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021	4,245,021		
24	Depreciation-Transmission	F	2005 PCORC	50/50	425,773	425,773	425,773	425,773	425,773	425,773	425,773	425,773	425,773	425,773	425,773		
25	Amortization - Regulatory Assets	V	CY06 from 2005 PCORC Amort Sched		2,173,561	2,173,561	2,173,561	2,173,561	2,173,561	2,173,561	2,173,561	2,173,561	2,173,561	2,173,561	2,173,561		
26	Property Taxes-Production	F	2005 PCORC	50/50	800,475	800,475	800,475	800,475	800,475	800,475	800,475	800,475	800,475	800,475	800,475		
27	Property Taxes-Transmission	F	2005 PCORC	50/50	353,310	353,310	353,310	353,310	353,310	353,310	353,310	353,310	353,310	353,310	353,310		
28	Subtotal & Baseline Rate				109,454,805	100,843,829	95,463,035	79,181,935	66,946,888	69,182,590	66,939,704	74,607,290	86,531,984	97,238,975	112,239,673		
29					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
30	Fixed				18,572,567	18,572,567	18,572,567	18,572,567	18,572,567	18,572,567	18,572,567	18,572,567	18,572,567	18,572,567	18,572,567		
31	Variable				90,882,238	82,271,262	76,890,468	60,609,369	48,374,321	50,610,023	48,367,138	56,034,723	67,779,398	78,650,069	93,667,106		
32	Total				109,454,805	100,843,829	95,463,035	79,181,935	66,946,888	69,182,590	66,939,704	74,607,290	86,531,984	97,238,975	112,239,673		
33					0	0	0	0	0	0	0	0	0	0	0		
34					0	0	0	0	0	0	0	0	0	0	0		
35	Rate Year - Fresh Finance Crossed Up				1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313		
36	Delivered Load (MWh)				20,112,948	20,112,948	20,112,948	20,112,948	20,112,948	20,112,948	20,112,948	20,112,948	20,112,948	20,112,948	20,112,948		
37					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
38					1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313	1,054,012,313		
39	Baseline Rate				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		

Example Baseline Rate per Interim Power Cost Update Filing

(Note 1) - See Attached schedule of items to be agreed upon for updating in the Interim Power Cost update filing.
 (Note 2) - Production related Fixed Costs have been grossed up for the production factor (0.99559)
 (Note 3) - Coalstrip Capacity Upgrade would be a proforma adjustment to the test year based on known costs
 (Note 4) - Annuitis on these line items were revised on 8/31/2005. A revision was made to remove the tax affect on the interest portion of the reduction to wheeling for the BPA credit on the transmission preparation. An offsetting adjustment was made to 547-Fuel in order to maintain the revenue requirement at the as-filled level.
 (Note 5) - A revision was made on 8/31/2005 to the monthly distribution to correctly reflect as a 50/50 apportionment.
 ** These line items contain amounts for Hopkins Ridge Wtst Plant. These line items will be netted-up as actual basis for the project become known. An additional schedule has been provided which shows the amount of Hopkins Ridge costs included in Line 28

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HOPKINS RIDGE WIND PROJECT ONLY

(Does not include impact of Production Tax Credits)

Exhibit A-1 Power Cost Rate	AS FILED Adjusted 12 months ended March 31, 2005	Fixed or Variable
Row	Total	Variable
Delivered Load (kWh's)		
Percent of Total		
3 Regulatory Assets (Variable)	\$ 9,098,964	V
4 Transmission Rate Base (Fixed)	-	F
5 Production Rate Base (Fixed) (Note 3) **	176,643,479	F
6	\$ 185,742,443	
7 Net of tax rate of return	7.01%	
8		
9		
10 Regulatory Asset Recovery **	\$ 981,288	V
11 Fixed Asset Recovery Other	0	F
12 Fixed Asset Recovery-Prod Factored **	19,050,320	F
13 501-Steam Fuel		V
14 555-Purchased power		V
14a Rate Disallowances for March Point 2 and Tenaska		V
15 557-Other Power Exp		F
557-Other Power Expense Adjustments	126,092	F
16 547-Fuel		V
17 565-Wheeling (Note 1)	1,498,859	V
18 Variable Transmission Income		V
19 Hydro and Other Pwr.	4,390,548	F
Hydro and Other Pwr. Adjustment		F
20 447-Sales to Others **		V
21 456-Subaccounts 00016 & 00018		V
22 Transmission Exp - 500KV		F
23 Depreciation/Amortization -Production **	9,447,472	F
24 Depreciation-Transmission		F
24a Amortization - Regulatory Assets	1,735,311	V
25 Property Taxes-Production	1,105,432	F
26 Property Taxes-Transmission		F
28 Subtotal & Baseline Rate	38,335,321	

Amounts enclosed in box will not be adjusted if in Fixed (F) category

(Note 1) - A revision was made to this line item on 8/31/2005 to remove the tax affect on the interest portion of the reduction to wheeling for the BPA credit on the transmission prepayment. An offsetting adjustment was made to 547-Fuel in order to maintain the revenue requirement at the as-filed level.